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Economic & Capital Market Review

December 31, 2017

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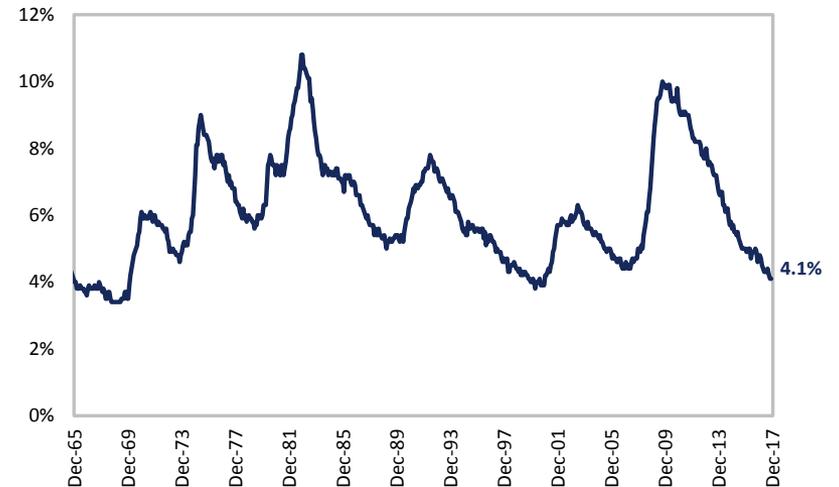
Economy

- The fourth quarter of 2017 was characterized by continued rising growth and positive economic data reports, capping one of the strongest years for the global economy since the 2008-2009 financial crisis. Rising corporate sales and earnings growth, high consumer and business confidence, and ongoing central bank accommodation pushed global equity indices to new all-time highs. In the US, further progress in the labor market and overall economy prompted the Federal Reserve to raise short-term interest rates by 25 basis points for the third time in 2017.
- The labor market continued to strengthen during the fourth quarter, as the US economy added 611,000 jobs over the period while the unemployment rate fell to 4.1%, its lowest level since December 2000. The US economy has experienced positive job growth for 87 consecutive months, the longest streak since labor market data collection began in the 1940s.
- Real GDP in the US grew at a 3.2% annualized rate during the third quarter of 2017, according to the third estimate released by the Bureau of Economic Analysis. This final estimate marks back-to-back quarters of 3% growth for the first time since 2014. Continued strong household demand, rising business investment, and increased exports stemming from strong global growth have contributed to the rise in GDP.
- Economic activity in both the manufacturing and services sectors continued to expand in the fourth quarter. The US ISM Manufacturing PMI ended the quarter at 59.7, while the Non-Manufacturing (or services) PMI was 55.9. Manufacturing has now been a boost to US growth for 16 consecutive months, while services have expanded 96 consecutive months. Global PMI levels were also consistently high in 2017, reflecting the broad-based pickup in global economic activity.

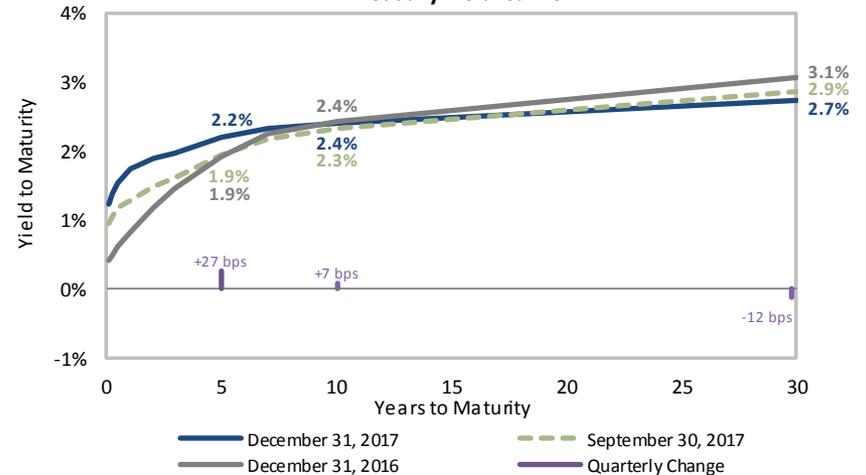
Yield Curve

- The spread between 2-year and 30-year Treasuries tightened 52 bps to 86 bps during the quarter. Over the past two years, the 2-30 spread has tightened by 111 bps. The 20-year average spread between 2-year and 30-year Treasuries is 192 bps.

Unemployment Rate



Treasury Yield Curve

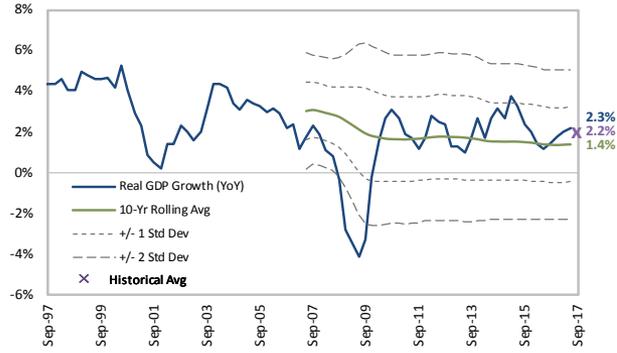


Source: Bloomberg

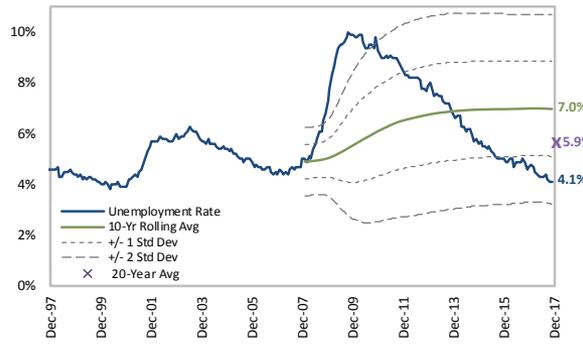
Economic Perspective

December 31, 2017

Real GDP Growth (YoY)



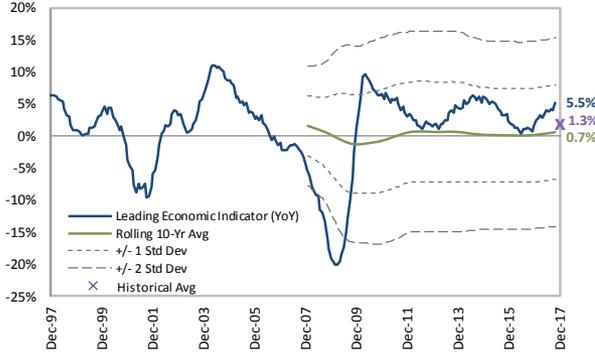
Unemployment Rate



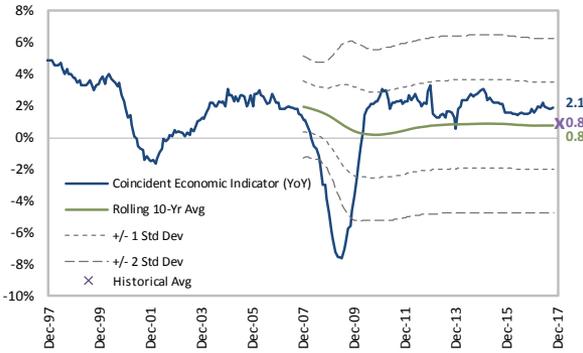
Manufacturing Strength



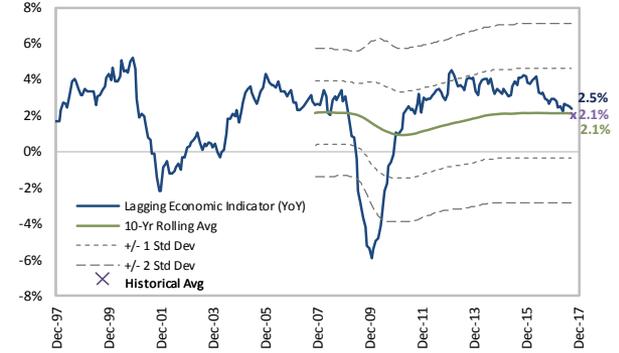
Leading Economic Indicator (YoY)



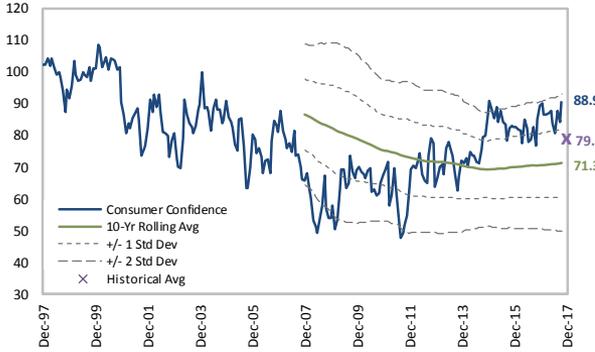
Coincident Economic Indicator (YoY)



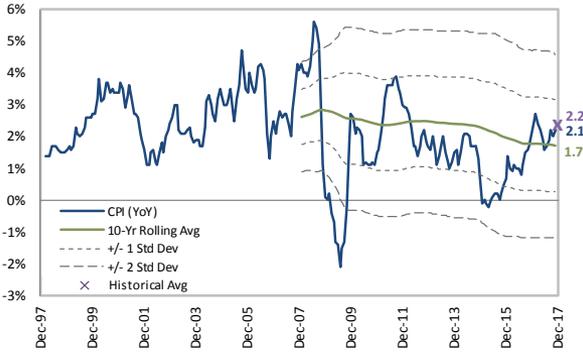
Lagging Economic Indicator (YoY)



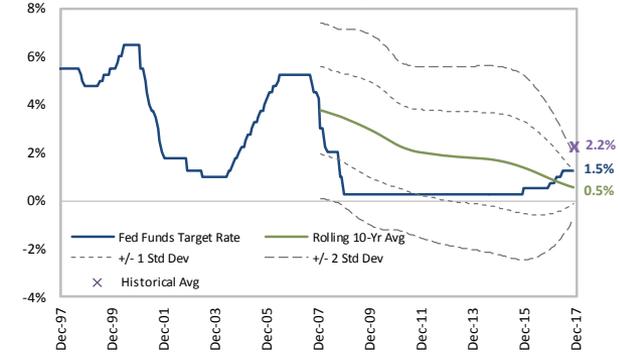
Consumer Confidence

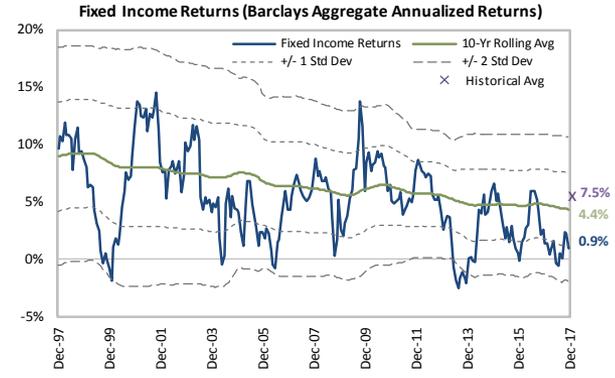
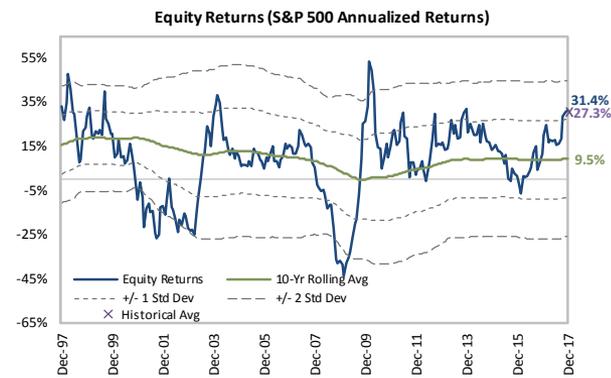
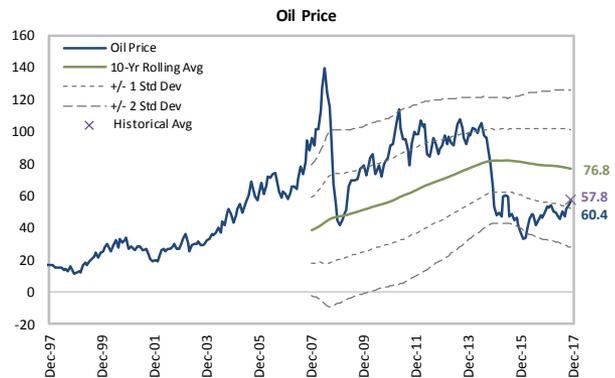
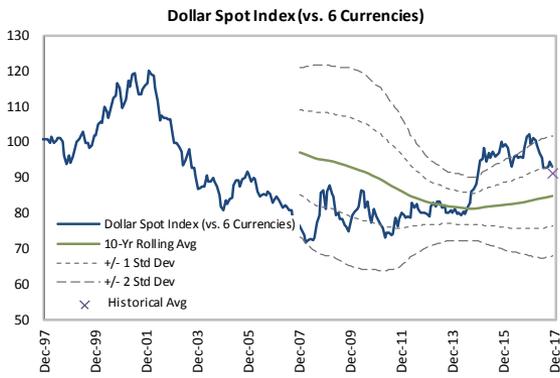
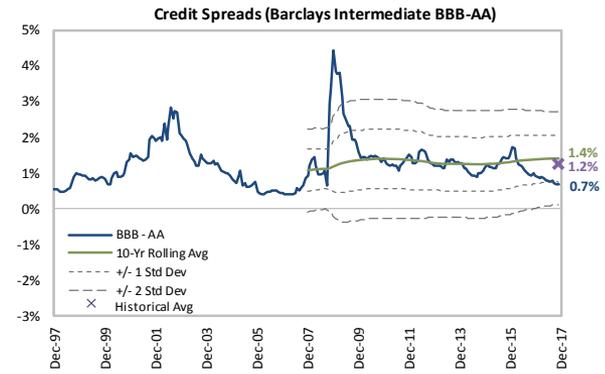
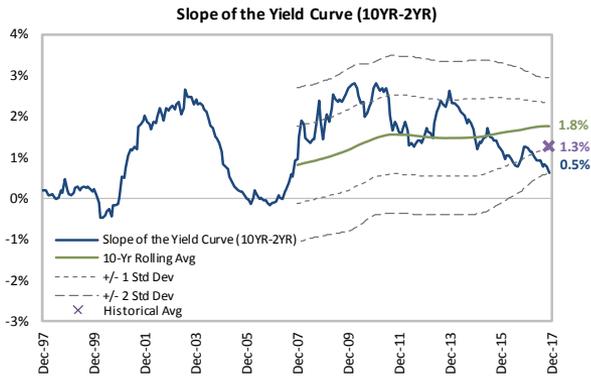


Consumer Price Index (YoY, Headline)



Federal Funds Target Rate





Public Equities

- Strong global equity market performance continued during the fourth quarter. MSCI ACWI IMI extended its streak of consecutive monthly gains to 14 in December, the longest since the inception of the Index in 1994. During 2017 international markets outperformed US for the first time since 2012, supported by strengthening fundamentals.
- Master limited partnerships (MLPs) returned -0.9% for the fourth quarter, led by underperformance in the oil, natural gas, and energy sectors. For the trailing 12 months, MLP distributions were not enough to overcome price declines and the Alerian MLP Index returned -6.5%.

Public Debt

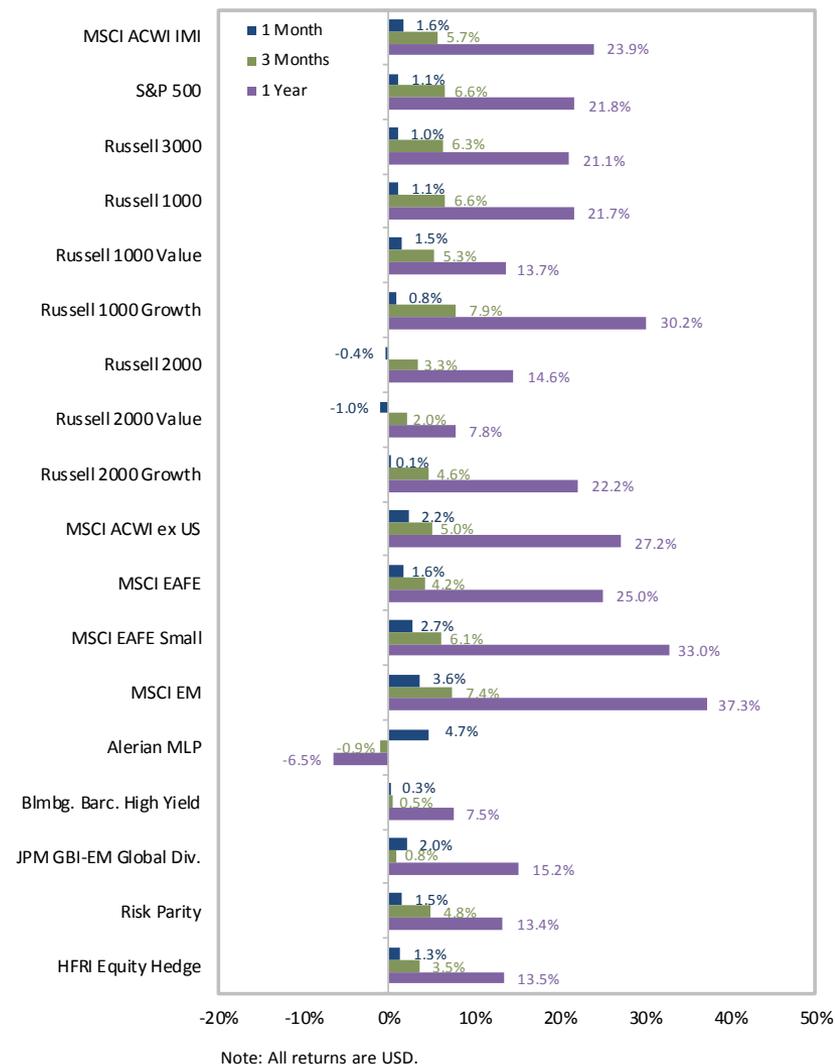
- Coupon returns were nearly offset by rising yields in the high yield bond market, with the Bloomberg Barclays High Yield Index returning 0.5% for the quarter. During 2017 high yield spreads tightened 66 bps to post-crisis low levels.
- Local currency emerging market debt returned 0.8%, capping the strongest year for the asset class since 2012. Local currency yields ended the year at 6.14%.

Private Assets

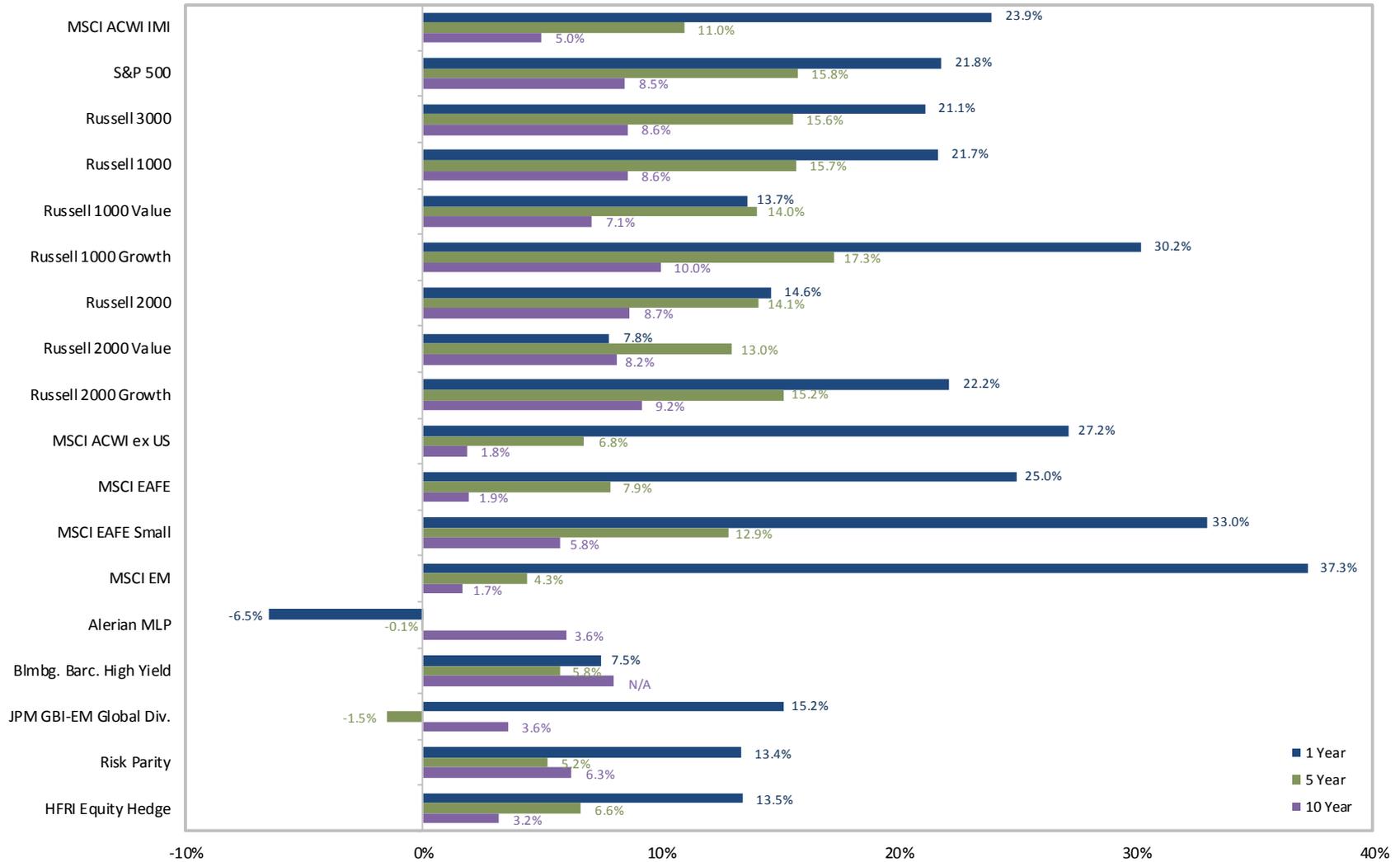
- Fundraising recovered in Q4 2017, as Prequin estimated total commitments of \$162B versus \$96B the quarter prior. 2017 represented a record year for private equity fundraising, as 1,420 funds secured a combined \$754B in commitments, surpassing the 2016 record of \$728B raised by 1,860 funds. This increase in capital has caused LBO purchase price multiples to rise above 10x EBTIDA, following a slight decline in 2016.
- Leverage multiples have increased to over 5.7x EBTIDA in 2017, following a decline in 2016. We continue to see robust demand for private debt funds, as momentum increased in Q4 2017. This ongoing demand from investors has helped support higher leverage levels and kept a ceiling in place for average loan spreads.

Hedge Funds

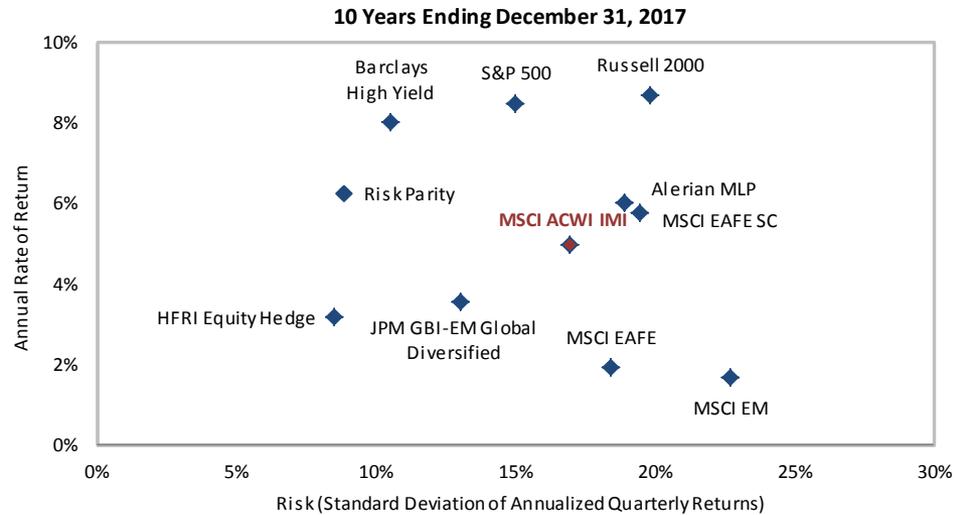
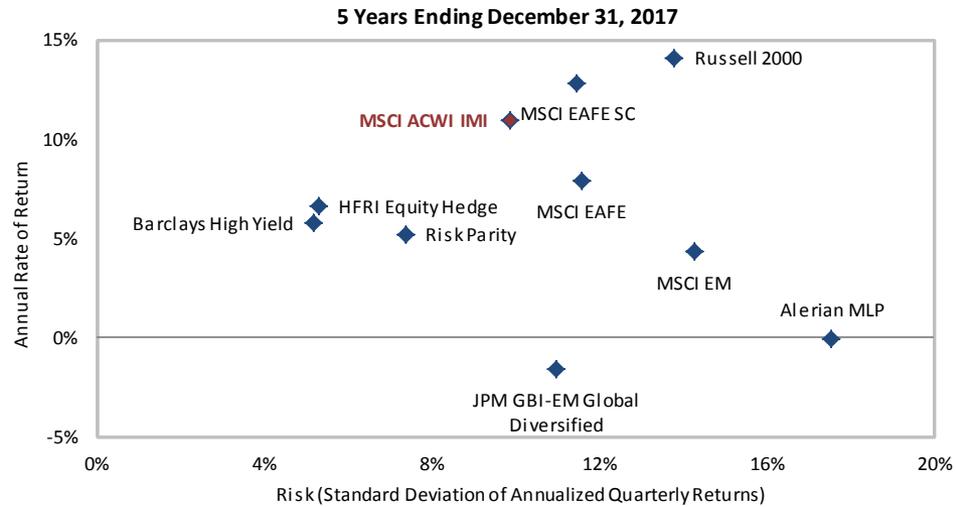
- Risk parity strategies gained in the fourth quarter. Equities delivered the strongest contribution, followed by commodities. Nominal bonds detracted slightly.
- Growth hedge funds contributed in the fourth quarter, with strong performance within the long/short equity complex. Distressed debt strategies also contributed, while merger arbitrage was flat and activist strategies detracted.



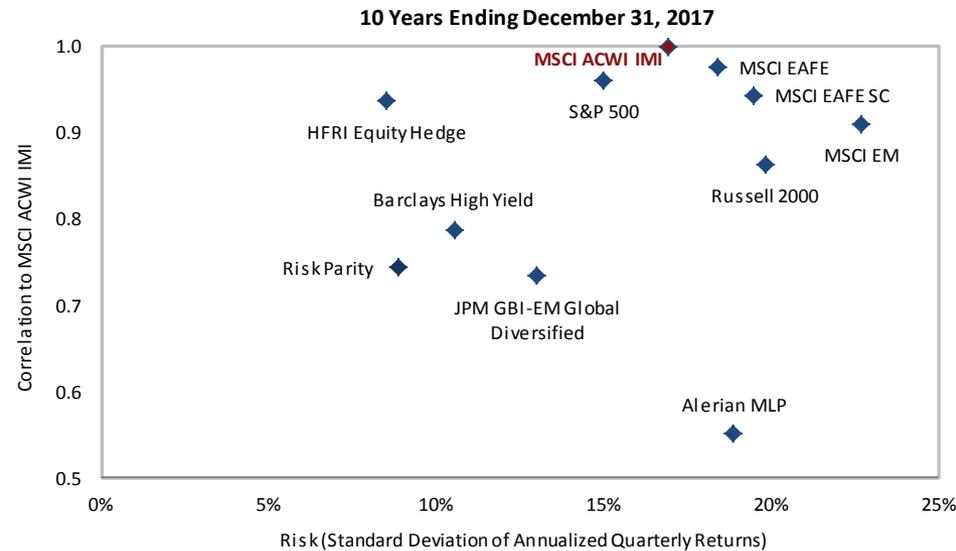
ANNUALIZED ONE-, FIVE-, AND TEN-YEAR RETURNS



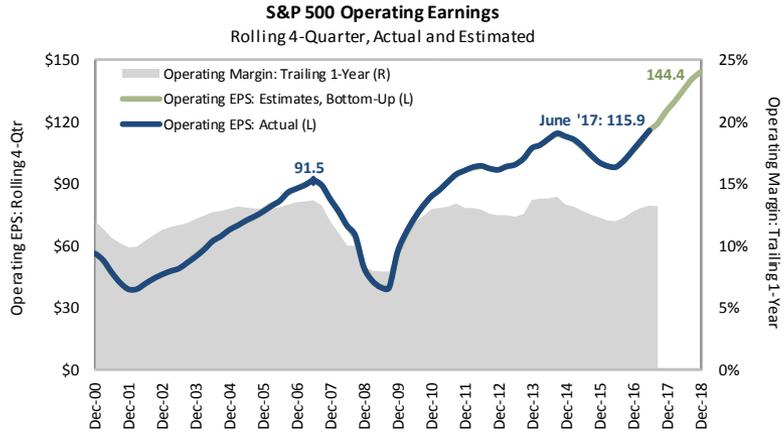
ASSET CLASS RISK/RETURN PERFORMANCE



ASSET CLASS CORRELATION TO MSCI ACWI IMI

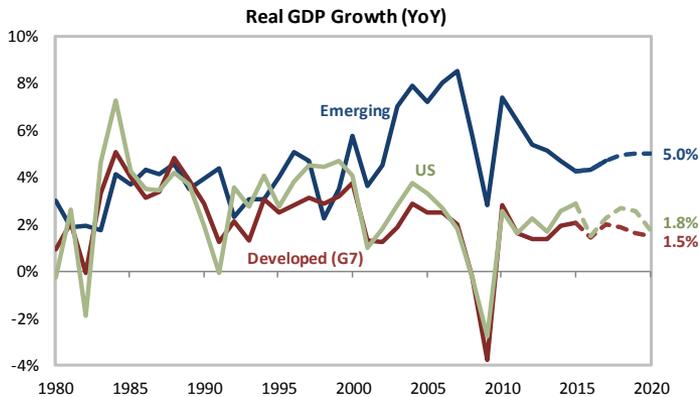


MARKET CHARTS



Source: Standard & Poor's

Operating margins remain near cyclical highs; analysts maintain a very positive outlook for US earnings.



Source: International Monetary Fund

Economic growth remains positive, but long-run expectations for future growth are muted.



Source: Institute for Supply Management

US manufacturing demand has recovered as the drag from slower foreign growth has reversed, and manufacturers estimate an increased in domestic demand; a reading over 50 implies expansion.



Source: Citigroup, Bloomberg

Economic data releases have disappointed as expectations increased dramatically after the election; an Index reading of 0 means data releases have met analyst expectations.

Public Debt

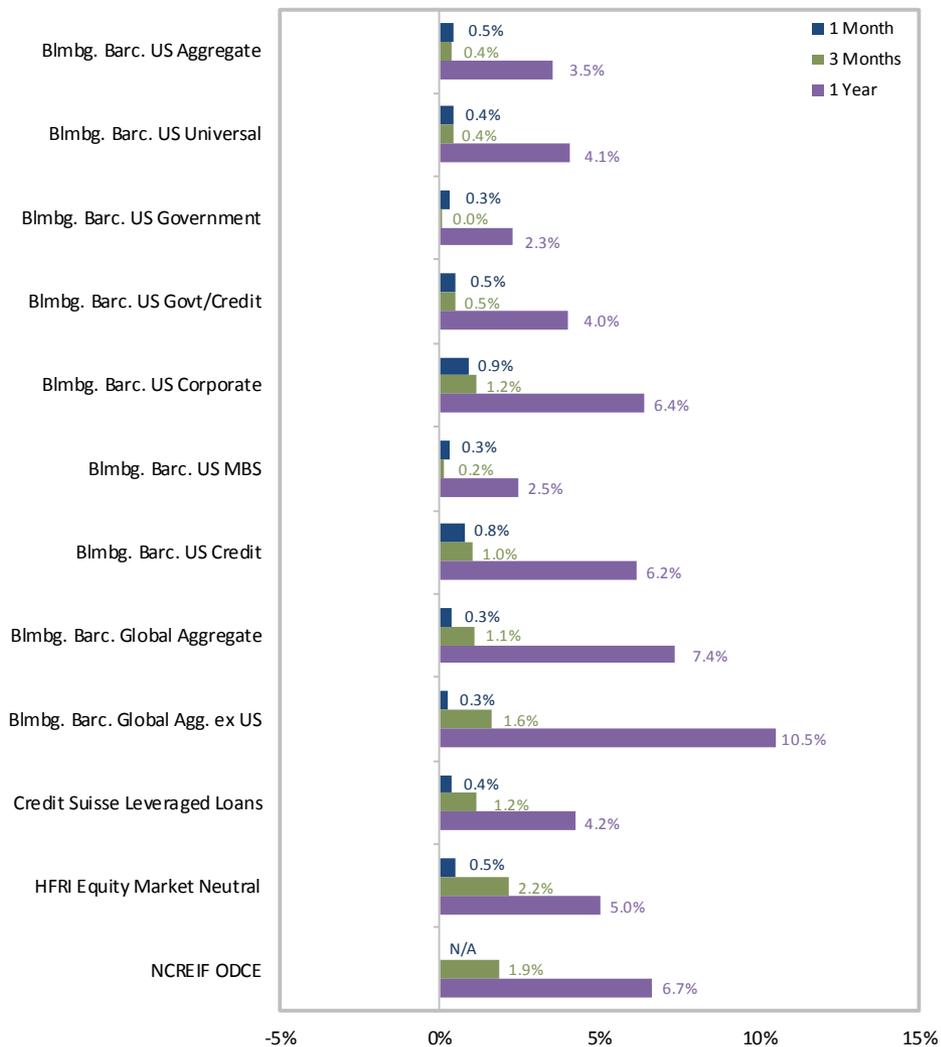
- The Bloomberg Barclays US Aggregate gained 0.4% during the quarter, with Index yields rising 16 bps to 2.71%. Continued strong economic data and optimism surrounding tax reform acted as catalysts for higher yields; year-over-year the yield for the US Aggregate rose 10 bps and the Index returned 3.5%.
- International bonds returned 1.6% for the quarter, with international outperformance over domestic fixed income predominately driven by declines in the dollar against foreign currencies. Yields in developed international economies remain near all-time lows, ending 2017 at 0.78%.
- Public bank loans, as measured by the Credit Suisse Leveraged Loan Index, returned 1.2% for the quarter and 4.2% in 2017. Default rates in the leveraged loan market rose 30 bps in 2017 to 1.8%, but remain well below the historical average of 3.2%.

Relative Value Hedge Funds

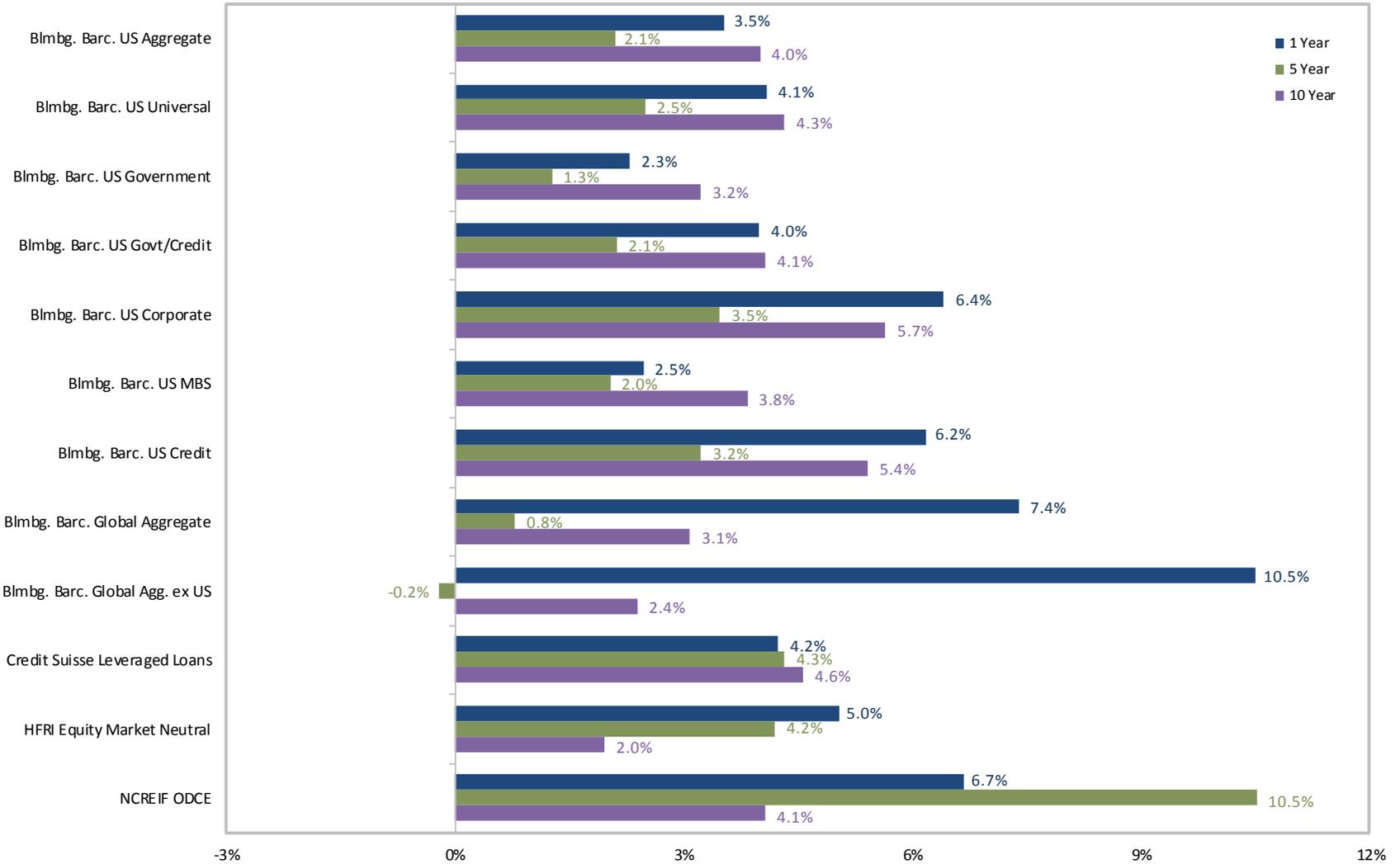
- Relative value hedge funds gained in the fourth quarter, with the largest contributions from equity market neutral strategies. Volatility arbitrage, convertible arbitrage, and credit-related strategies also gained.

Core Real Estate

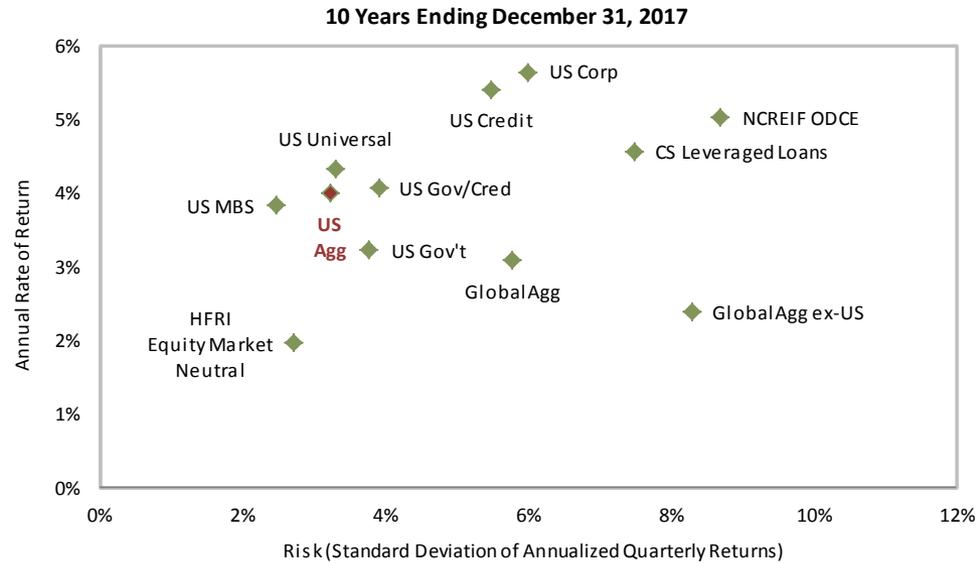
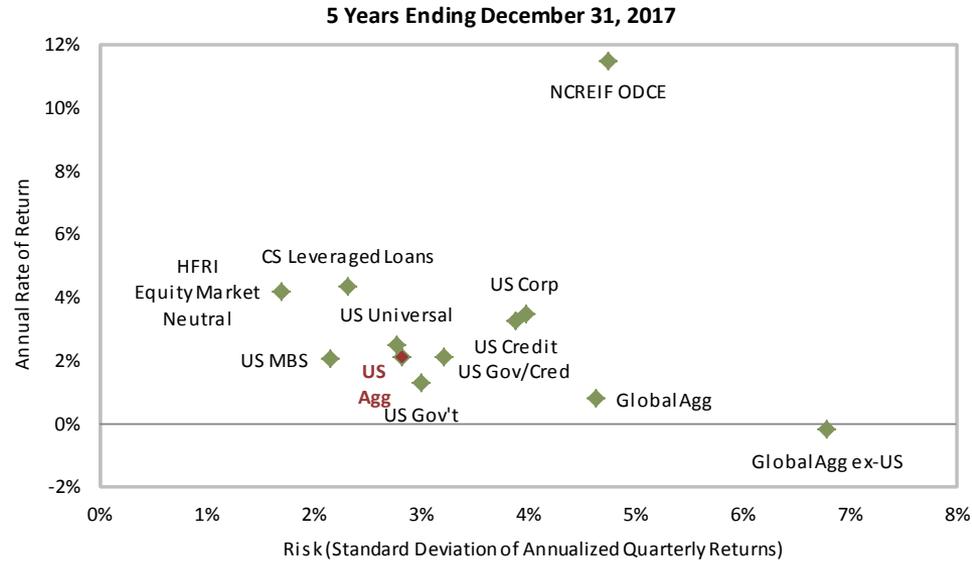
- Core real estate returns for the fourth quarter of 2017 were 2.1% gross and 1.9% net, bringing the one-year gain for core funds to 6.7% net. While still positive, core real estate gains in 2017 were the lowest since 2009. Declining but still positive returns in the commercial real estate market have been supported by the US economic expansion; continued labor market growth has been a tailwind for demand while supply remains limited.



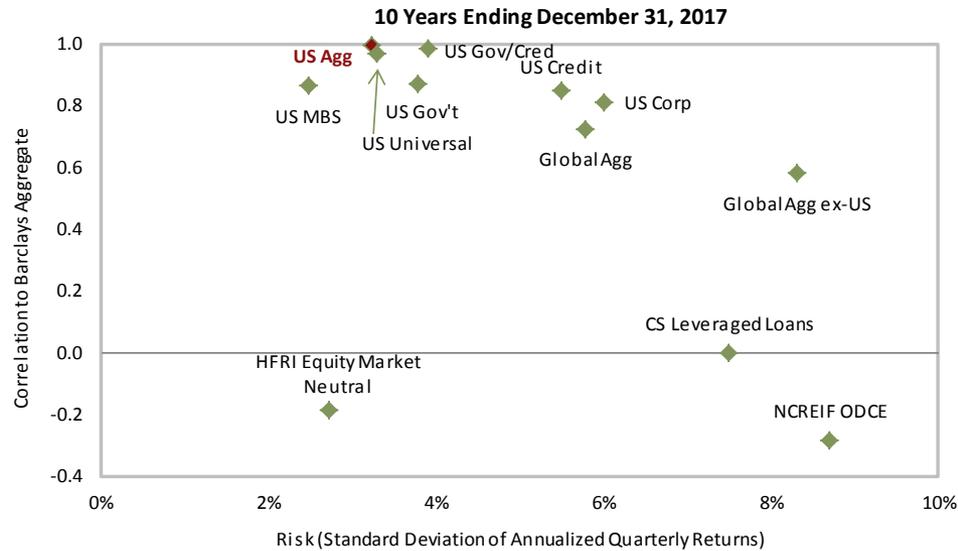
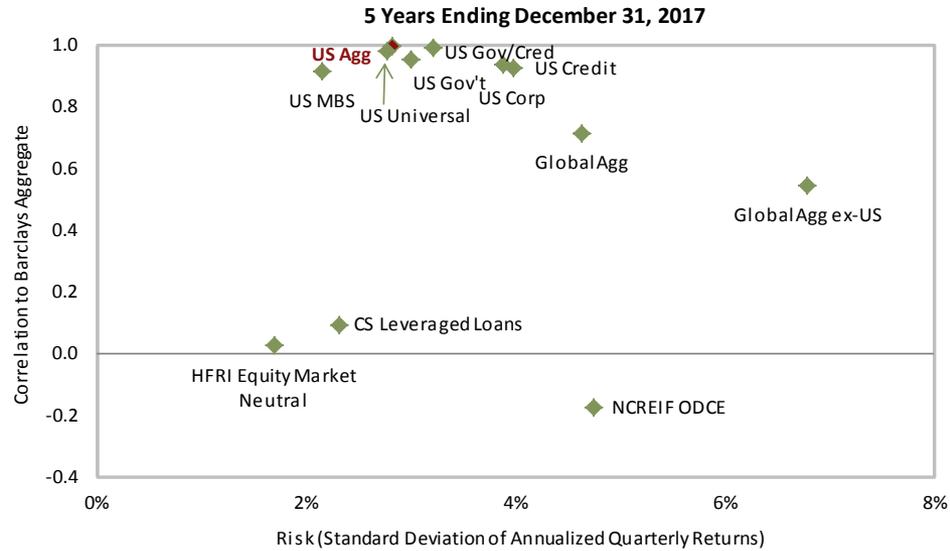
ANNUALIZED ONE-, FIVE-, AND TEN-YEAR RETURNS



ASSET CLASS RISK/RETURN PERFORMANCE

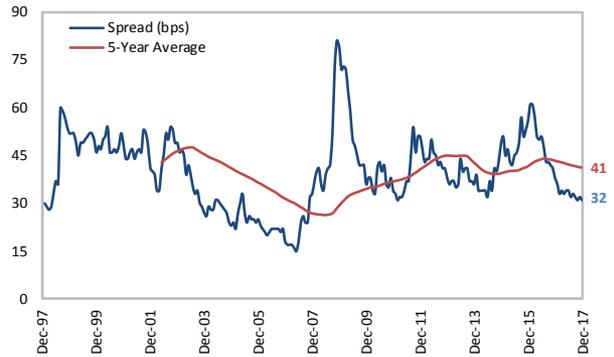


ASSET CLASS CORRELATION TO BARCLAYS AGGREGATE



MARKET CHARTS

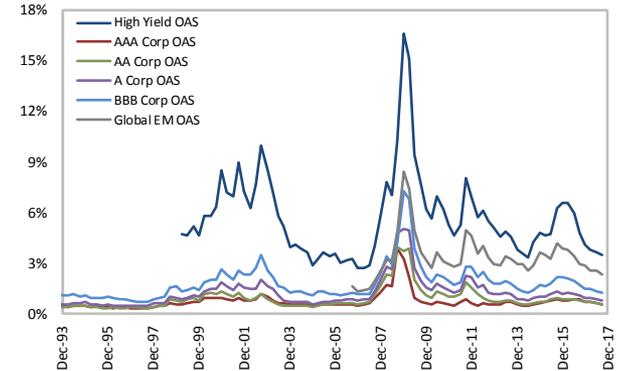
Core Plus vs Core Fixed Income



The spread between core plus and core fixed income has declined to post-crisis lows.

Source: Barclays

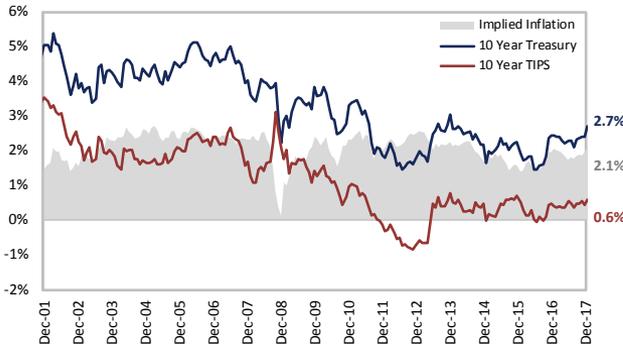
Barclays Capital Option Adjusted Spreads



Spreads have narrowed across credit qualities.

Source: Barclays

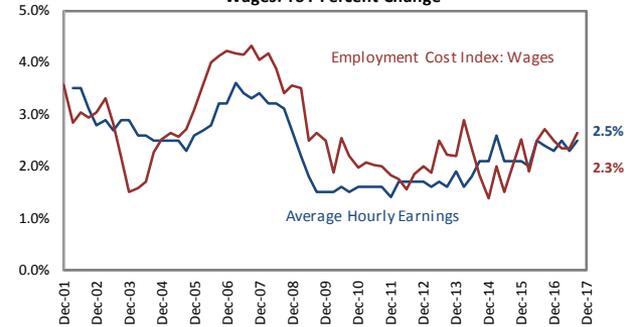
10-Year Implied Inflation



Long-term inflation expectations have declined to below historical average levels.

Source: Bloomberg.

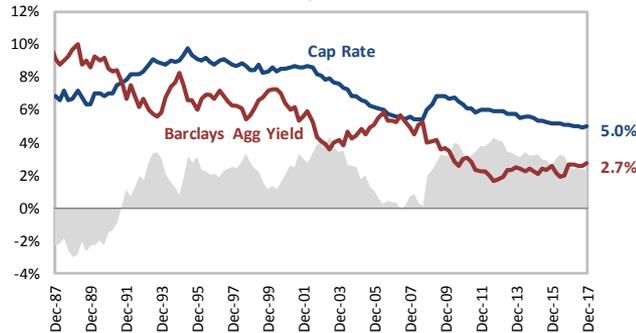
Wages: YoY Percent Change



Wage growth has increased from very low levels. As the labor market continues to tighten, this indicator should rise.

Source: Bureau of Labor Statistics, Bloomberg.

Core Real Estate Cap Rates vs. Bond Yields



Commercial real estate cap rates have declined to their lowest levels of the past 30 years.

Source: Bloomberg, NCREIF.

S&P/Case-Shiller Composite 20-City Home Price Index



Home prices continue to rise but remain below the highs of 2006.

Source: S&P Case-Shiller Composite 20-Home Price Index NSA

Inflation

- TIPS returned 1.3% during the fourth quarter, with gains supported by declining real yields and rising inflation expectations. At the end of the fourth quarter market-implied 10-year breakeven inflation expectations were 1.98%, below their 20-year average of 3.26%.

Deflation

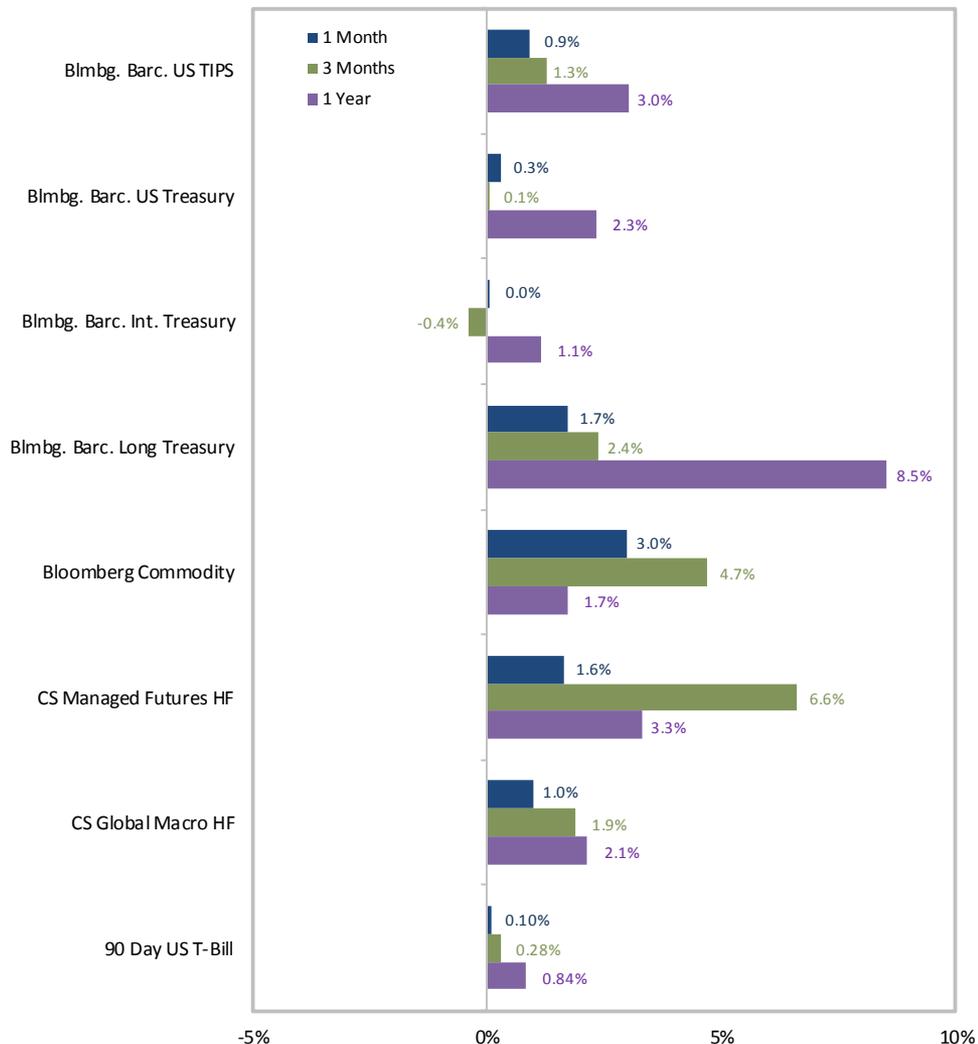
- Long treasuries continued to perform well during the quarter, returning 2.4% as yields for the Bloomberg Barclays Long Treasury Index declined 9 bps to 2.69%. The 8.5% gain for the Index in 2017 was supported by strong demand for US bonds by foreign investors and reinvestment by the Federal Reserve. During the quarter the Fed began to reduce its reinvestments in treasuries and mortgage-backed securities as part of its plan to gradually tighten monetary policy.
- Cash returns have increased but remain low, with 90-day T-Bills offering 28 bps for the quarter and 84 bps over the past year.

Commodities

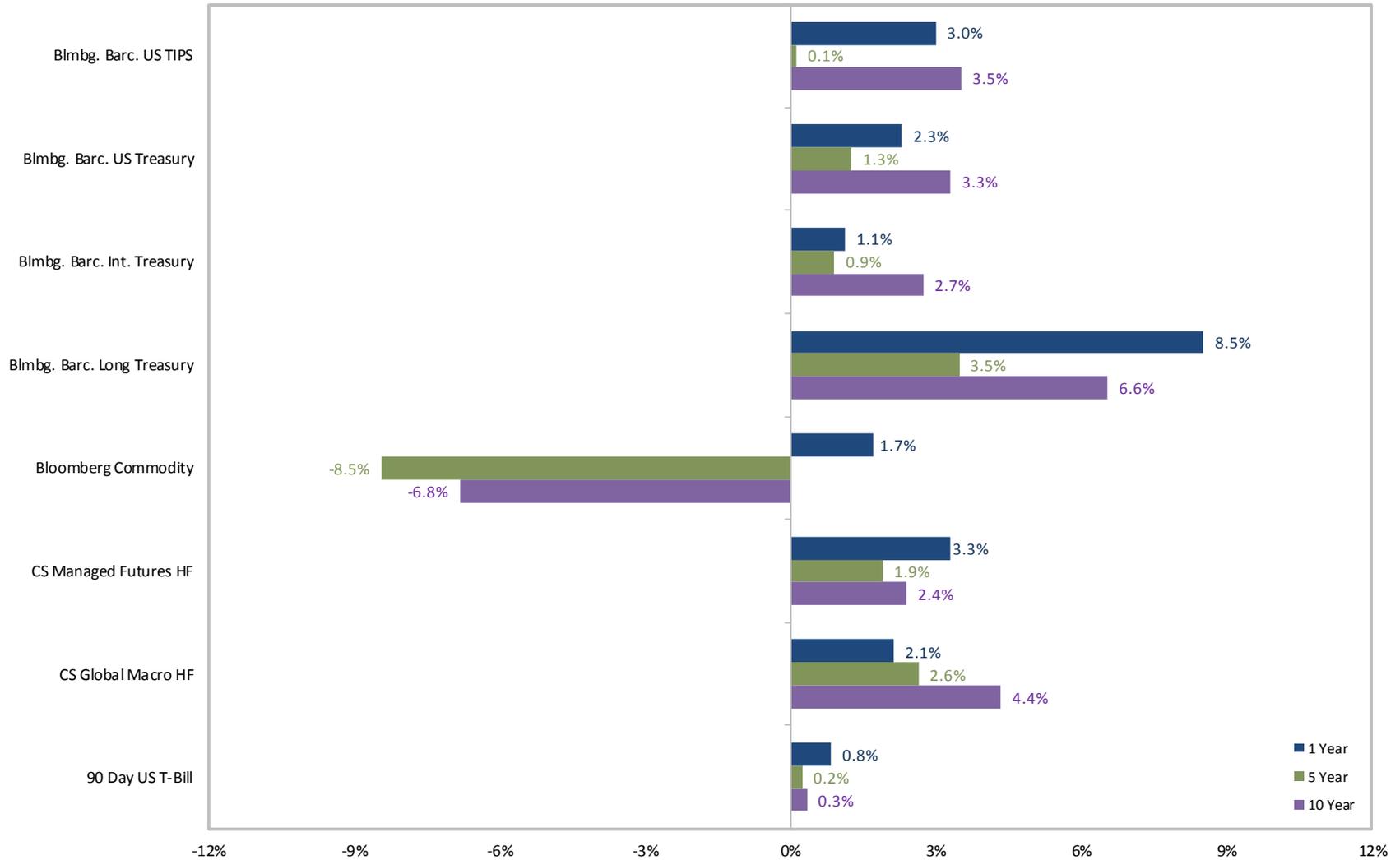
- The Bloomberg Commodity Index increased 4.7% during the fourth quarter. Outperformance for the quarter was largely driven by strong performance from the livestock and industrial metals sectors. Over the trailing twelve months, the Bloomberg Commodity Index has returned 1.7%; industrial metals and precious metals have continued to be the largest contributors to commodity gains over the trailing year, in addition to oil's 12.5% increase.

Tactical Trading

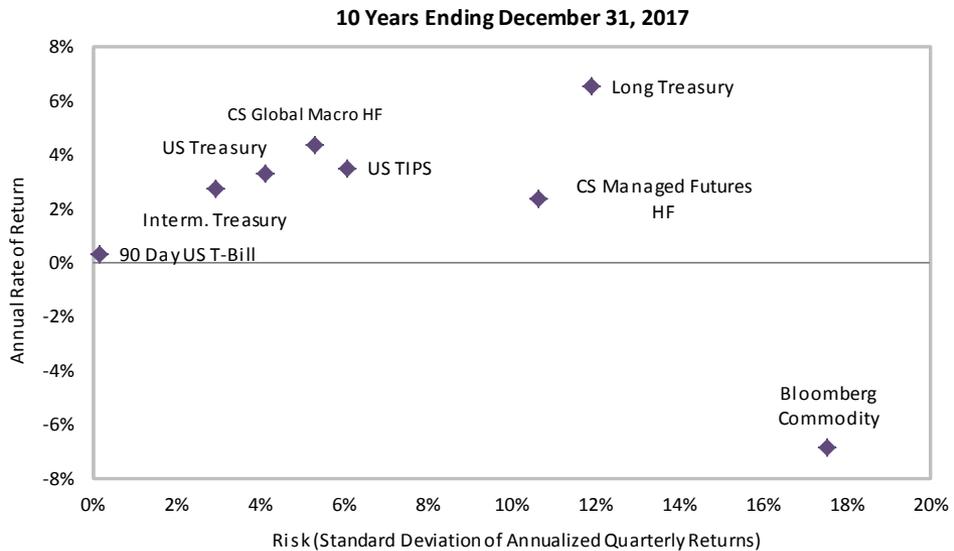
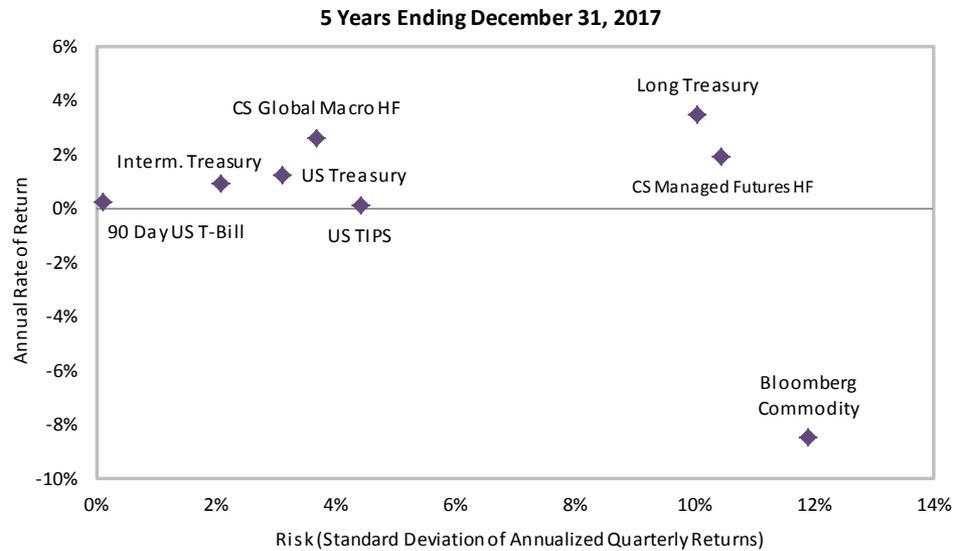
- Macro hedge funds gained in the fourth quarter. Strong gains in trend-following CTA strategies drove performance, while discretionary global macro also contributed.



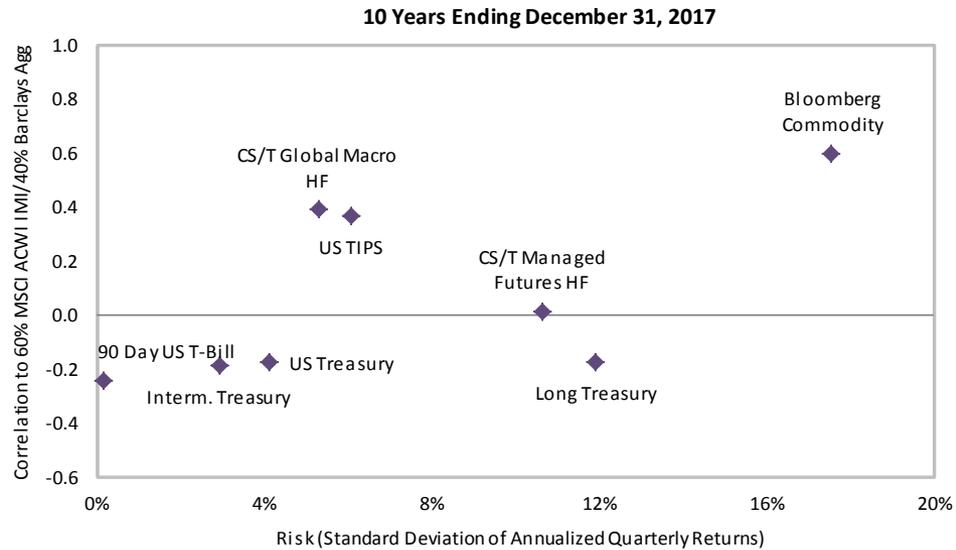
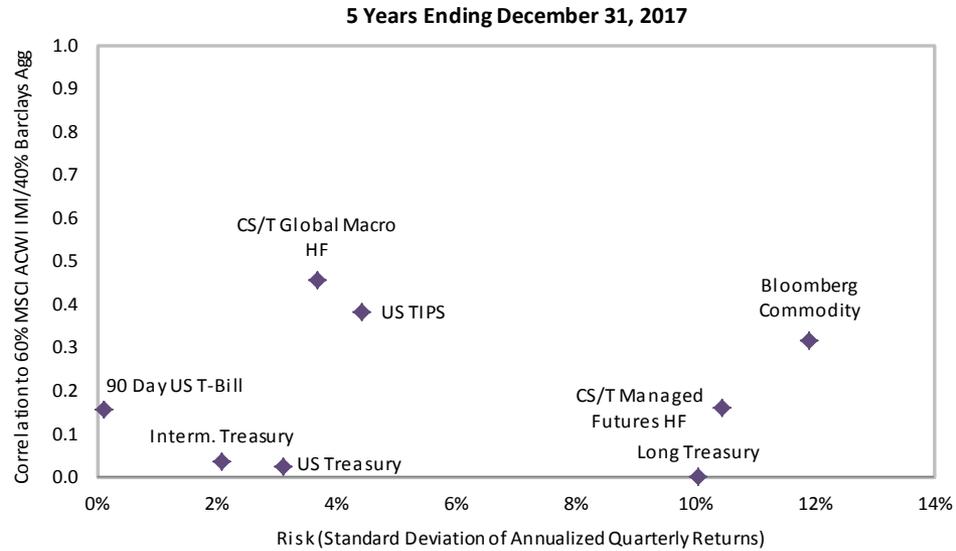
ANNUALIZED ONE-, FIVE-, AND TEN-YEAR RETURNS



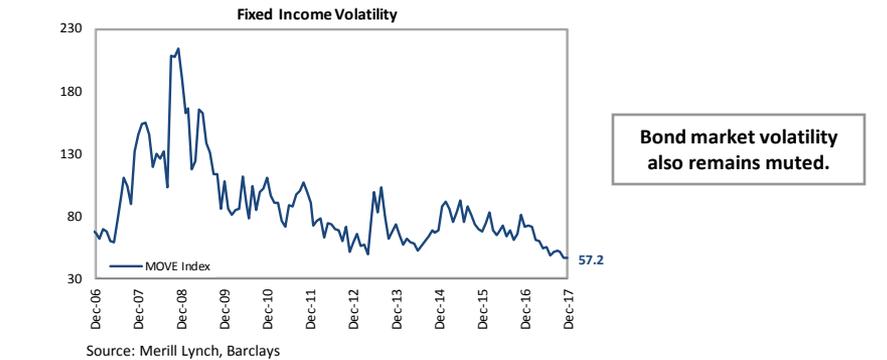
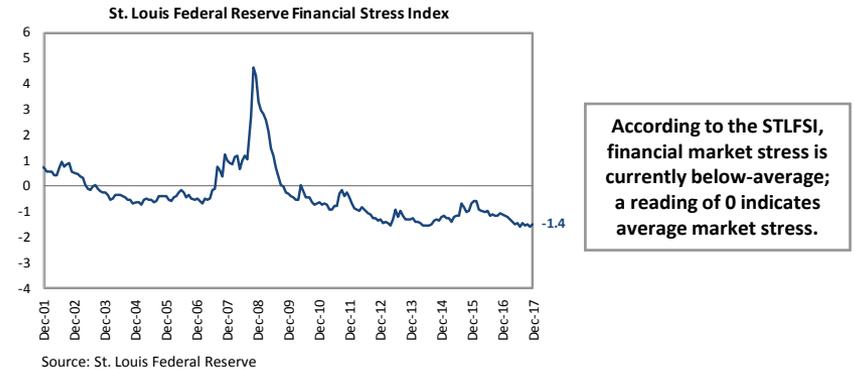
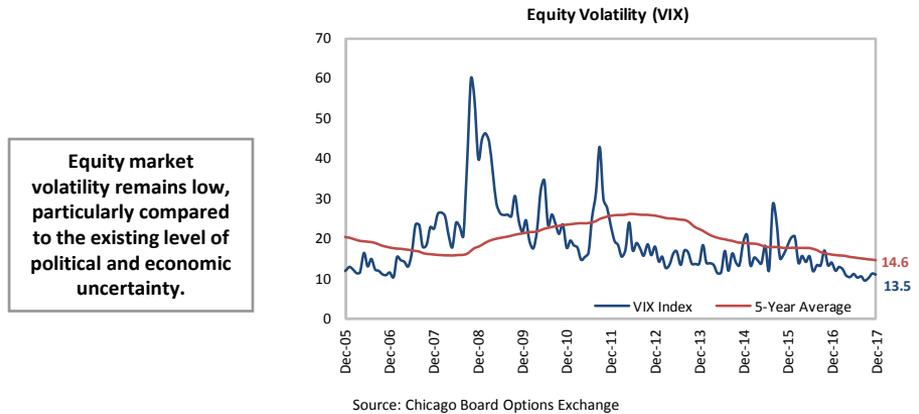
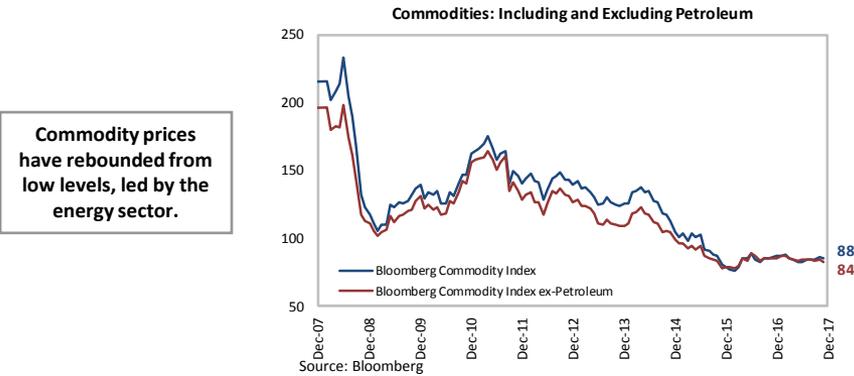
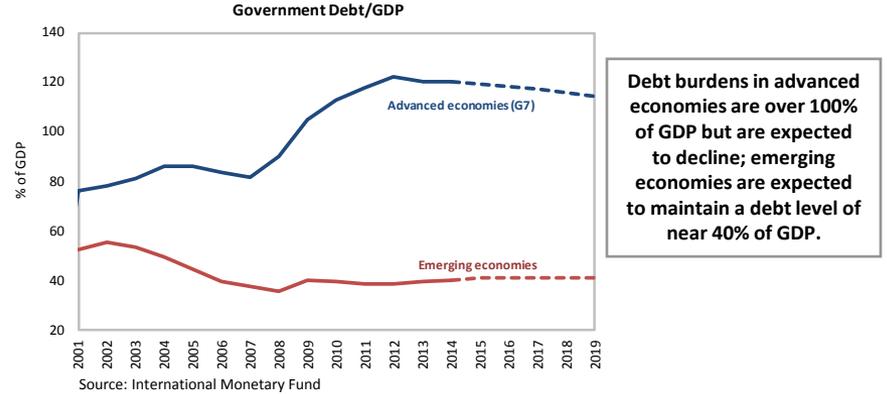
ASSET CLASS RISK/RETURN PERFORMANCE



ASSET CLASS CORRELATION TO 60% MSCI ACWI IMI/40% BARCLAYS AGGREGATE

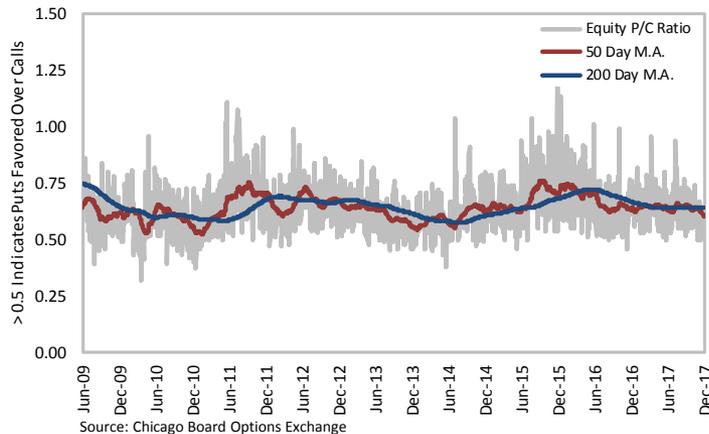


MARKET CHARTS



MARKET SKEW

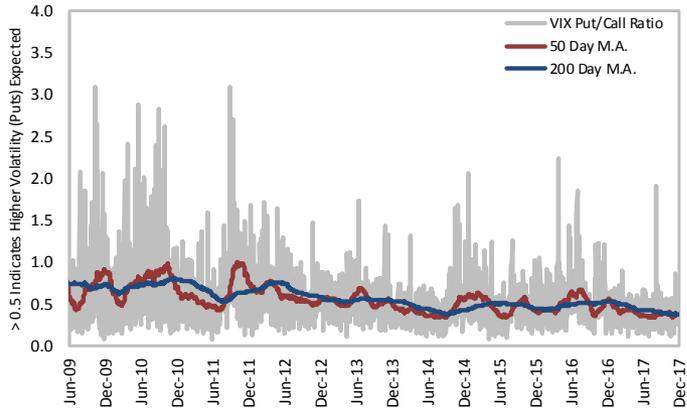
CBOE Put/Call Ratio



Source: Chicago Board Options Exchange

0.5 is neutral; investors are less inclined to buy downside protection than they were one year ago, as suggested by the 50-day moving average.

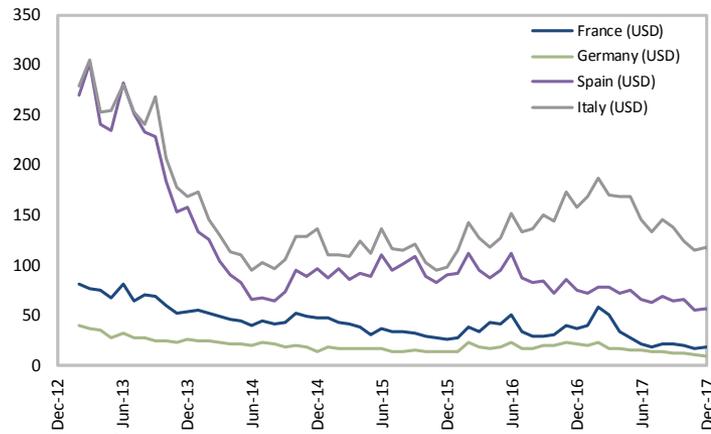
CBOE VIX Put/Call Ratio



Source: Chicago Board Options Exchange

0.5 is neutral; on average investors' purchases of volatility puts and calls have decreased slightly.

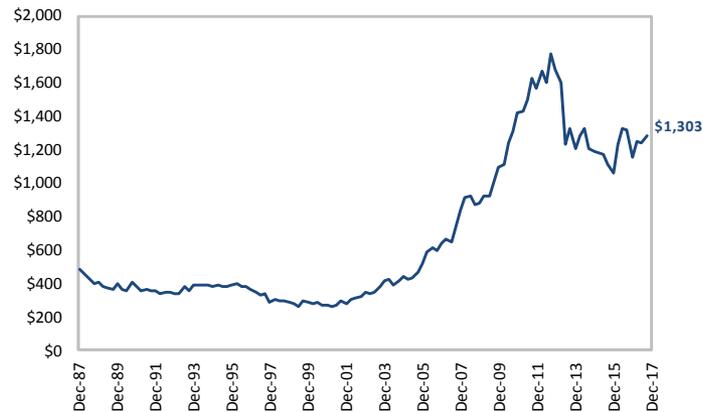
5-Year Credit Default Swaps Spreads



Source: Bloomberg

Sovereign spreads remain tight, particularly compared to 2011/2012 levels.

Gold Spot \$/oz.



Source: Bloomberg

After falling for much of the past three years, gold prices have risen recently as short-term interest rates remain low/negative and political risk has increased.

INVESTMENT THEMES: LOOKING FORWARD

What We Believe

Growth

- Equity market valuations, particularly in the US, remain elevated.
- Short- to medium-term global growth prospects are positive given the broad-based nature of the cyclical upswing.
- High levels of uncertainty (central bank, political, economic, etc.) persist, while realized and implied market volatility remains low.

Income

- Muted returns for most fixed income assets as yields remain below historical levels.
- Credit spreads have compressed despite levels of corporate debt-to-GDP at cyclical highs.

Diversification

- The 'cost' of holding diversifying assets has declined given high equity valuations and low bond yields.

What Investors Should Do

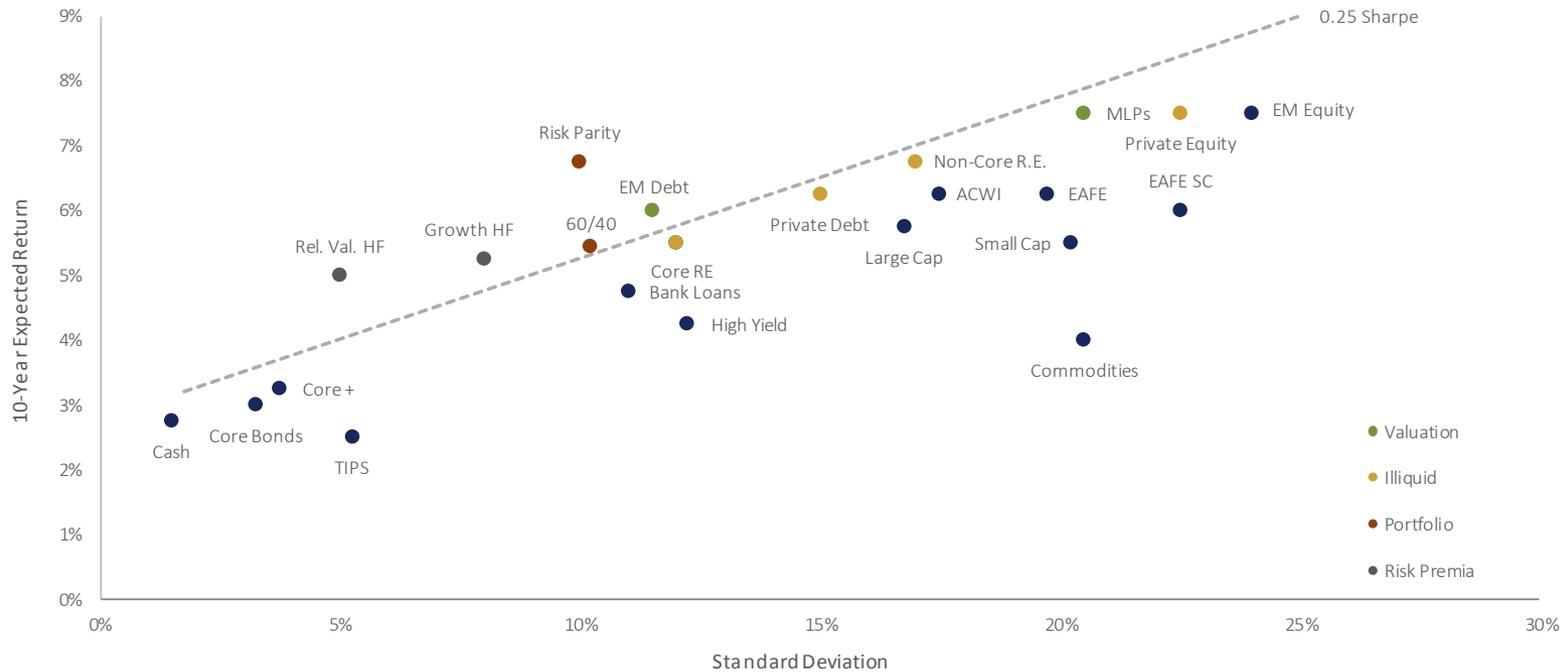
- Maintain rebalancing discipline; strong equity performance has continued to lift equity allocations in portfolios.
- Favor conservative positioning given increasing late-cycle indicators and heightened valuations. Within equity, tilt towards emerging and international developed markets.
- With lower expected asset class returns going forward, emphasize active management in less efficient markets.
- Favor return sources that diversify away from duration without significant credit risk (i.e. relative value hedge funds, unconstrained fixed income).
 - Size these allocations appropriately given significant tracking error vs. core fixed income.
- Maintain equity diversification (tactical trading strategies) and fixed income diversification (commodities, TIPS) for portfolio balance and hedging qualities.

SUMMARY

- Each quarter Summit publishes long-term (10-year) strategic capital market assumptions.
- While these assumptions are long-term by definition (one would not expect them to change frequently), there are times when market fundamentals move dramatically, thereby altering the expected performance for certain asset classes.
- For a complete rationale (for all assumptions) please refer to Summit’s annual “Capital Market Assumption” publication (available at www.ssgstl.com).

10-Year Expected Asset Class Returns and Standard Deviations			
Asset Class	Expected Return	Standard Deviation	Manager Excess Return
Inflation (CPI)	2.00%	1.75%	
Cash	2.75%	1.50%	
Public Equity			
ACWI	6.25%	17.50%	0.50%
Large Cap	5.75%	16.75%	0.25%
Small Cap	5.50%	20.25%	0.75%
International Large Cap	6.25%	19.75%	0.75%
International Small Cap	6.00%	22.50%	0.75%
Emerging Markets	7.50%	24.00%	0.75%
Master Limited Partnerships (MLP)	7.50%	20.50%	0.75%
Private Assets			
Private Equity	7.50%	22.50%	1.00%
Private Debt	6.25%	15.00%	0.75%
Marketable Alternatives			
Growth Hedge Funds	5.25%	8.00%	0.75%
Risk Parity	6.75%	10.00%	0.00%
Fixed Income			
Core Fixed Income	3.00%	3.25%	0.25%
Core Plus Fixed Income	3.25%	3.75%	0.50%
Corporates	3.50%	6.00%	0.50%
Long Gov/Credit	3.50%	10.25%	0.25%
TIPS	2.50%	5.25%	0.00%
High Yield Bonds	4.25%	12.25%	0.25%
Bank Loans	4.75%	11.00%	0.50%
Emerging Market Debt	6.00%	11.50%	0.25%
Relative Value Hedge Funds	5.00%	5.00%	0.50%
Real Assets			
Core Real Estate	5.50%	12.00%	0.25%
Non-Core Real Estate	6.75%	17.00%	1.00%
Commodities	4.00%	20.50%	0.50%

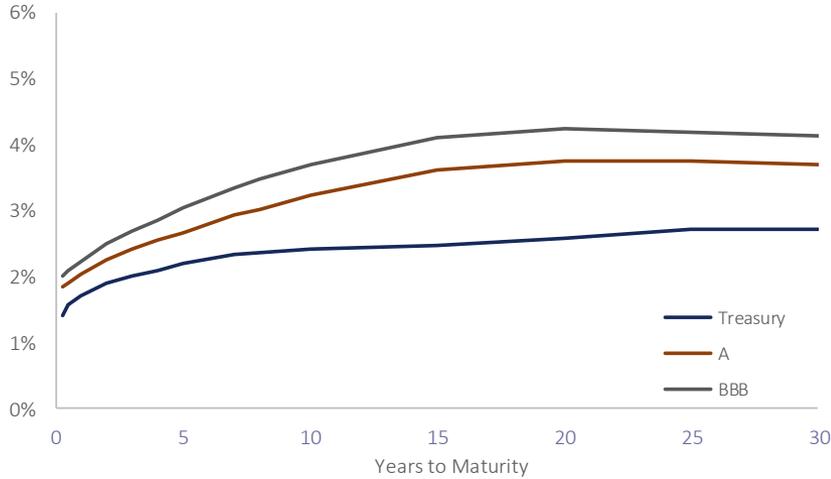
ASSET CLASS EXPECTED RETURN AND RISK



- Historically broad asset classes have achieved a Sharpe Ratio of roughly 0.25.
- Based on Summit’s Capital Market Assumptions, asset classes or strategies that appear to offer outsized absolute or risk-adjusted returns can be categorized into four main categories:
 1. Valuation: Current prices compared to fundamentals suggest relatively high prospective returns.
 2. Illiquid: Extended lock-up periods allow investors access to premia unavailable in public markets.
 3. Portfolio: Diversification benefits from combining multiple asset classes or strategies into a single portfolio.
 4. Risk Premia: Strategies employ leverage, have the ability to short, and/or are able to access unique risk premia unavailable in public markets.

FIXED INCOME

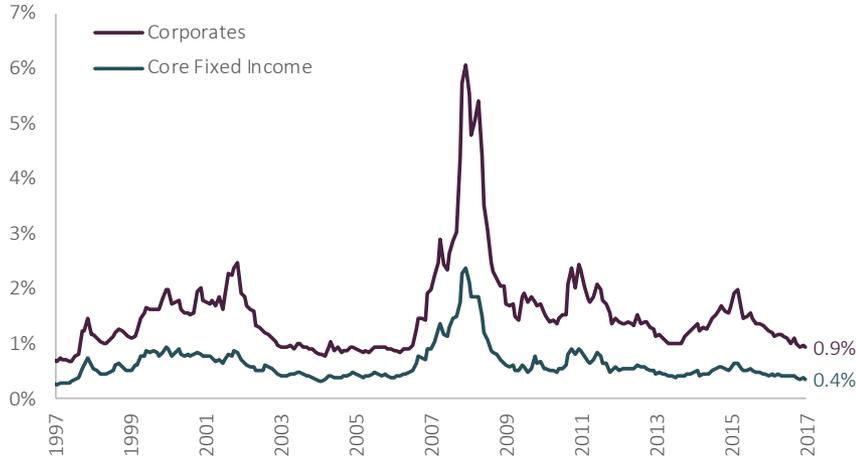
Yield Curves



10-Year Term Premium Treasury Bonds vs. T-Bills



Option-Adjusted Spreads



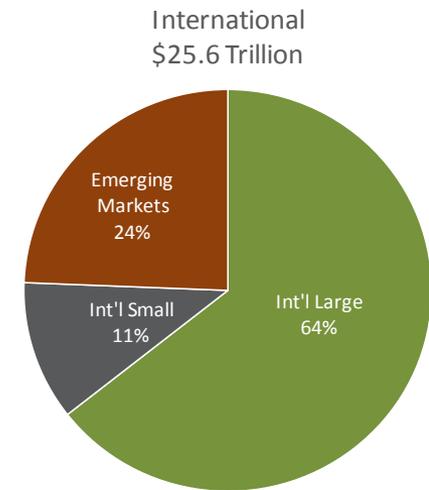
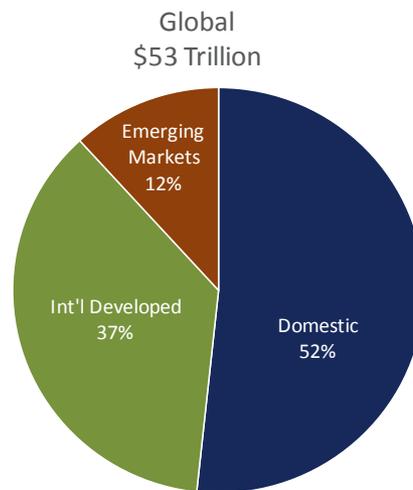
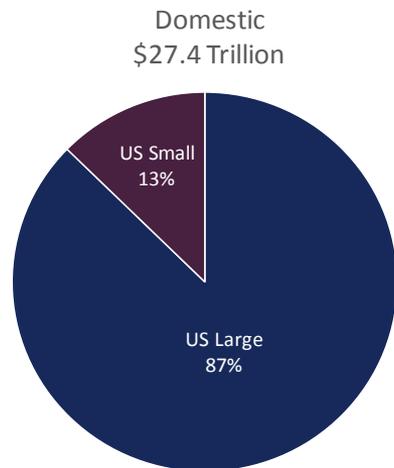
Expected Return Option-Adjusted Spread

Asset Class	12/31/2017	9/30/2017	12/31/2017	9/30/2017
CPI	2.00%	2.00%	n/a	n/a
Cash	2.75%	2.25%	n/a	n/a
Core Fixed Income	3.00%	2.75%	36	38
Core Plus Fixed Income	3.25%	3.00%	69	73
Corporates	3.50%	3.50%	93	101
Long Gov/Credit	3.50%	3.50%	83	90
TIPS	2.50%	2.50%	n/a	n/a
High Yield Bonds	4.25%	4.50%	343	347
Bank Loans	4.75%	4.75%	n/a	n/a
Emerging Market Debt	6.00%	6.00%	n/a	n/a

EQUITY

<i>12/31/2017</i>	US Large Cap	US Small Cap	Int'l Large Cap	Int'l Small Cap	Emerging
Dividend Yield	1.75%	1.25%	3.00%	2.25%	2.25%
Real EPS Growth	2.25%	2.50%	1.25%	1.75%	3.25%
Change in P/E Ratio	-0.25%	-0.25%	0.00%	0.00%	0.00%
Inflation	2.00%	2.00%	2.00%	2.00%	2.00%
Total	5.75%	5.50%	6.25%	6.00%	7.50%

Global Market Capitalization



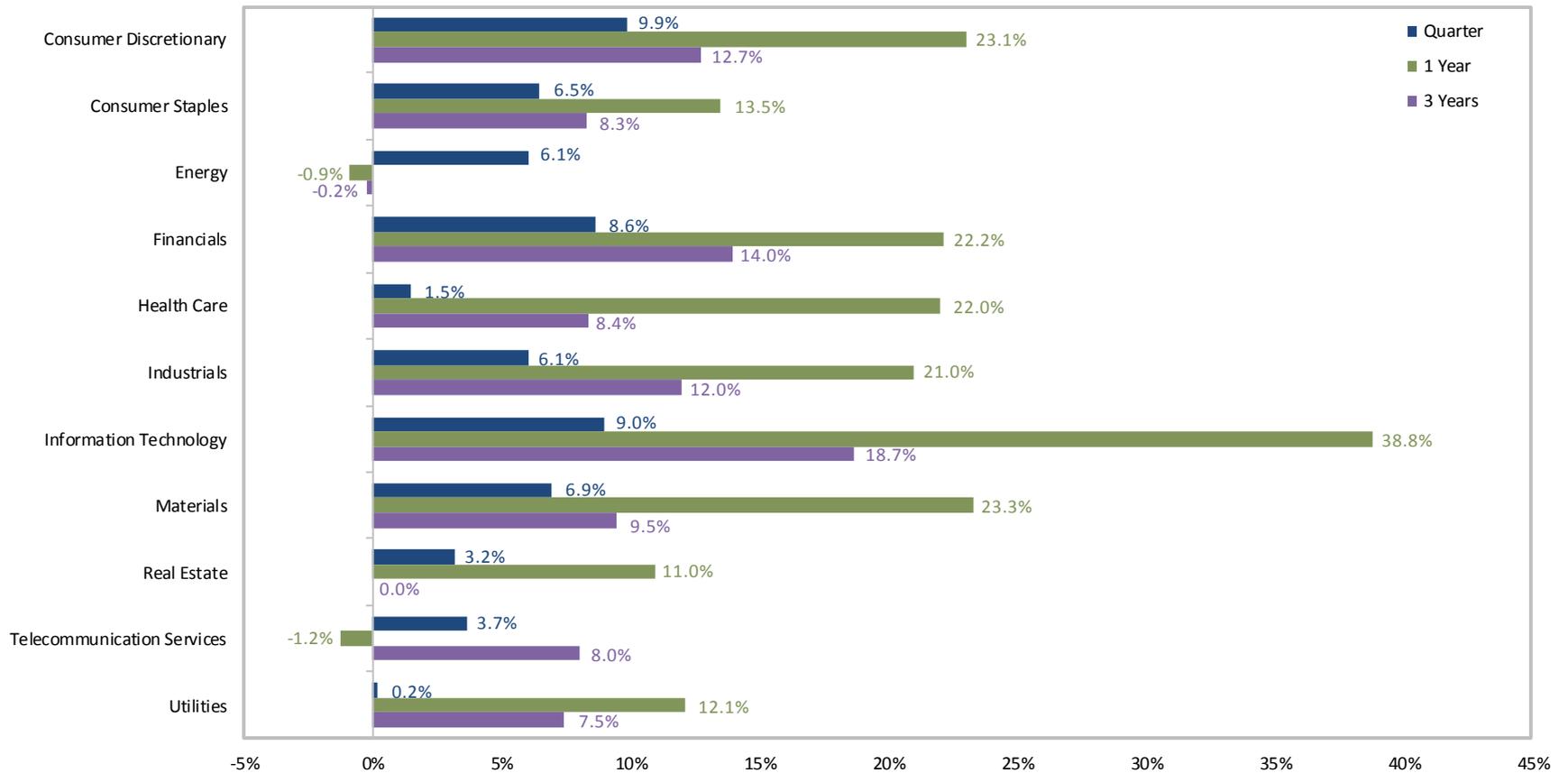
ALTERNATIVES

Asset Class / Strategy	Building Blocks				
Master Limited Partnerships (MLP)	<i>Distribution Yield</i> 7.50%	+	<i>Distribution Growth</i> 0.00%	+	<i>Valuation</i> 0.00% = <i>Expected</i> 7.50%
Private Equity			<i>Small Cap</i> 5.50%	+	<i>Return Premium</i> 2.00% = 7.50%
Private Debt			<i>High Yield</i> 4.25%	+	<i>Return Premium</i> 2.00% = 6.25%
Risk Parity	<i>Expected Sharpe Ratio</i> 0.40		<i>Cash</i> 2.75%	+	<i>Risk-Adj Beta Exposure</i> 4.00% = 6.75%
Growth Hedge Funds	<i>Expected Sharpe Ratio</i> 0.30		<i>Cash</i> 2.75%	+	<i>Vol-Adj Excess Returns</i> 2.50% = 5.25%
Relative Value Hedge Funds	<i>Expected Sharpe Ratio</i> 0.45		<i>Cash</i> 2.75%	+	<i>Vol-Adj Excess Returns</i> 2.25% = 5.00%
Core Real Estate	<i>Current Cap Rate</i> 5.00%	+	<i>Growth</i> 0.50%	+	<i>Valuation</i> 0.00% = 5.50%
Non-Core Real Estate	<i>Current Cap Rate</i> 5.00%	+	<i>Growth</i> 0.50%	+	<i>Return Premium</i> 1.25% = 6.75%
Commodities			<i>Cash</i> 2.75%	+	<i>Return Premium</i> 1.25% = 4.00%

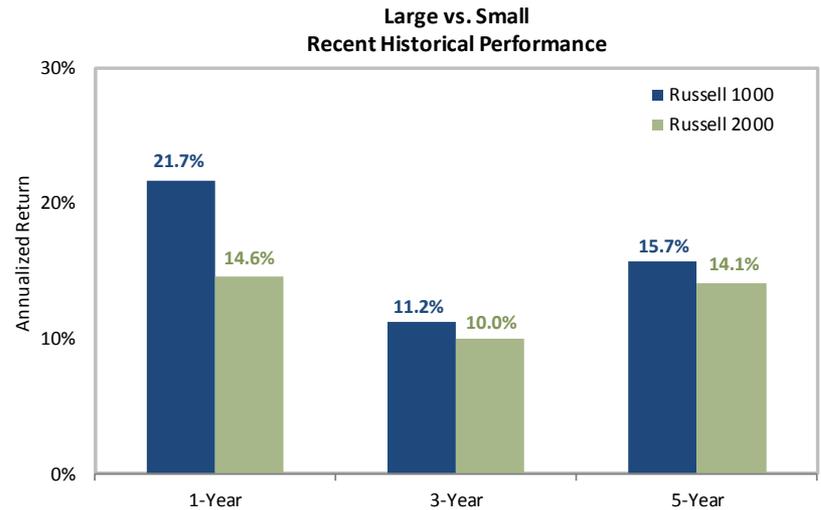
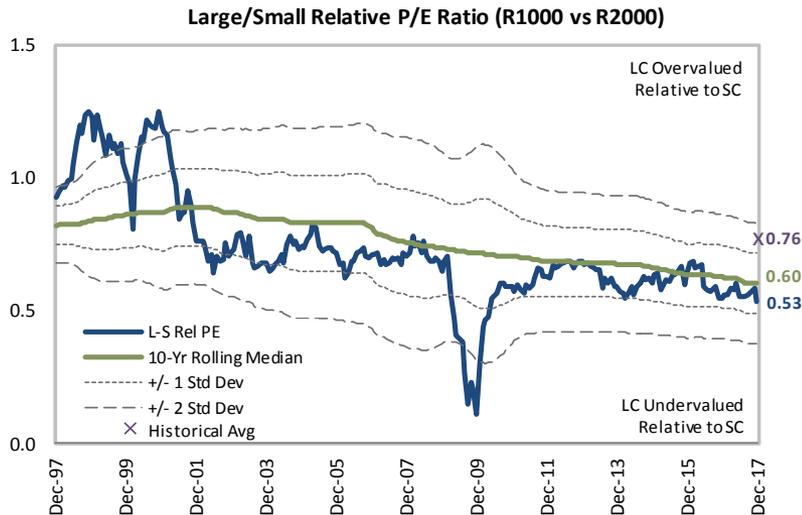
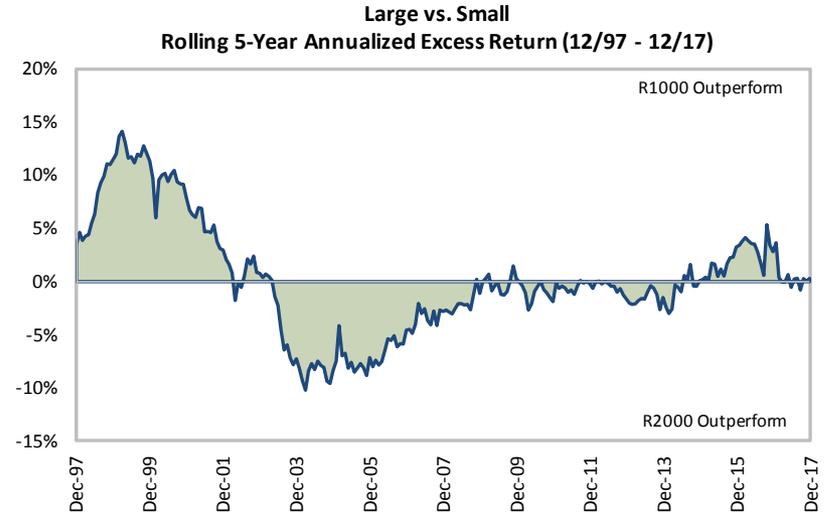
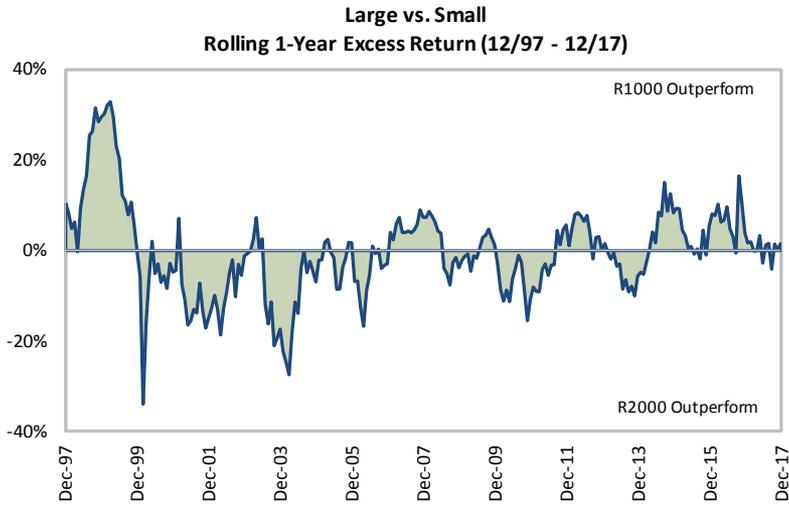
CALENDAR YEAR PERFORMANCE COMPARISON

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Q4 2017	10 Yr ROR	20 Yr ROR
Best Performing	EM 74.8%	EAFE 8.1%	Large Value 38.4%	Large Growth 23.1%	Large Value 35.2%	Large Growth 38.7%	EM 66.4%	Small Value 22.8%	Small Value 14.0%	Core Bonds 10.3%	EM 55.8%	EM 25.6%	EM 34.1%	EM 32.2%	EM 39.4%	Int. Treas. 11.4%	EM 78.5%	Small Growth 29.1%	Core Bonds 7.8%	EM 18.2%	Small Growth 43.3%	S&P 500 13.7%	Large Growth 5.7%	Small Value 31.7%	EM 37.3%	Large Growth 7.9%	Large Growth 10.0%	Small Value 8.6%
	EAFE 32.9%	Large Growth 2.7%	S&P 500 37.6%	S&P 500 23.0%	S&P 500 33.4%	S&P 500 28.6%	Small Growth 43.1%	Core Bonds 11.6%	Core Bonds 8.4%	Int. Treas. 9.6%	Small Growth 48.5%	Small Value 22.3%	EAFE 14.0%	EAFE 26.9%	Large Growth 11.8%	Core Bonds 5.2%	HY Bonds 58.2%	Small Cap 26.9%	Int. Treas. 6.6%	Small Value 18.1%	Small Cap 38.8%	Large Value 13.5%	S&P 500 1.4%	Small Cap 21.3%	Large Growth 30.2%	EM 7.4%	Small Growth 9.2%	Small Cap 7.9%
	Small Value 23.8%	S&P 500 1.3%	Large Growth 37.2%	Large Value 21.6%	Small Value 31.8%	EAFE 20.3%	Large Growth 33.2%	Int. Treas. 10.3%	Int. Treas. 8.2%	HY Bonds -1.4%	Small Cap 47.3%	EAFE 20.7%	Large Value 7.1%	Small Value 23.5%	EAFE 11.6%	HY Bonds -26.2%	Large Growth 37.2%	Small Value 24.5%	HY Bonds 5.0%	Large Value 17.5%	Small Value 34.5%	Large Growth 13.1%	Int. Treas. 1.2%	Large Value 17.3%	EAFE 25.0%	S&P 500 6.6%	Small Cap 8.7%	EM 7.8%
	Small Cap 18.9%	HY Bonds -1.0%	Small Growth 31.0%	Small Value 21.4%	Large Growth 30.5%	Large Value 15.6%	EAFE 27.3%	Large Value 7.0%	HY Bonds 5.3%	EM -6.0%	Small Value 46.0%	Small Cap 18.3%	Large Growth 5.3%	Large Value 22.2%	Int. Treas. 8.8%	Small Value -28.9%	Small Growth 34.5%	EM 18.9%	Large Growth 2.6%	EAFE 17.3%	Large Growth 33.5%	Core Bonds 6.0%	Core Bonds 0.6%	HY Bonds 17.1%	Small Growth 22.2%	Large Value 5.3%	S&P 500 8.5%	Large Value 7.4%
	Large Value 18.1%	Small Value -1.5%	Small Cap 28.4%	Small Cap 16.5%	Small Cap 22.4%	Core Bonds 8.7%	Small Cap 21.3%	Small Cap -3.0%	Small Cap 2.5%	Small Value -11.4%	EAFE 39.2%	Large Value 16.5%	S&P 500 4.9%	Small Cap 18.4%	Small Growth 7.1%	Small Cap -33.8%	EAFE 31.9%	Large Growth 16.7%	S&P 500 2.1%	Small Cap 16.3%	Large Value 32.5%	Small Growth 5.6%	EAFE -0.8%	S&P 500 12.0%	S&P 500 21.8%	Small Growth 4.6%	Small Value 8.2%	S&P 500 7.2%
	HY Bonds 17.1%	Small Cap -1.8%	Small Value 25.8%	HY Bonds 11.4%	Small Growth 12.9%	Int. Treas. 8.6%	S&P 500 21.0%	HY Bonds -5.9%	EM -2.4%	Large Value -15.5%	Large Value 30.0%	Small Growth 14.3%	Small Value 4.7%	S&P 500 15.8%	Core Bonds 7.0%	Large Value -36.9%	Small Cap 27.2%	Large Value 15.5%	Large Value 0.4%	S&P 500 16.0%	S&P 500 32.4%	Small Cap 4.9%	Small Growth -1.4%	Small Growth 11.3%	Small Cap 14.6%	EAFE 4.2%	HY Bonds 8.0%	Large Growth 6.9%
	Small Growth 13.4%	Int. Treas. -1.8%	HY Bonds 19.2%	Small Growth 11.3%	HY Bonds 12.7%	HY Bonds 1.9%	Large Value 7.4%	S&P 500 -9.1%	Large Value -5.6%	EAFE -15.7%	Large Growth 29.8%	HY Bonds 11.1%	Small Cap 4.6%	Small Growth 13.4%	S&P 500 5.5%	S&P 500 -37.0%	S&P 500 26.5%	HY Bonds 15.1%	Small Growth -2.9%	HY Bonds 15.8%	EAFE 22.8%	Small Value 4.2%	Large Value -3.8%	EM 11.2%	Large Value 13.7%	Small Cap 3.3%	Large Value 7.1%	HY Bonds 6.8%
	S&P 500 10.1%	Large Value -2.0%	Core Bonds 18.5%	EAFE 6.4%	Core Bonds 9.7%	Small Growth 1.2%	HY Bonds 2.4%	EAFE -14.0%	Small Growth -9.2%	Small Cap -20.5%	HY Bonds 29.0%	S&P 500 10.9%	Small Growth 4.1%	HY Bonds 11.9%	HY Bonds 1.9%	Large Growth -38.4%	Small Value 20.6%	S&P 500 15.1%	Small Cap -4.2%	Large Growth 15.3%	HY Bonds 7.4%	Int. Treas. 2.6%	Small Cap -4.4%	Large Growth 7.1%	Small Value 7.8%	Small Value 2.0%	Core Bonds 4.0%	Small Growth 6.7%
	Core Bonds 9.8%	Small Growth -2.4%	Int. Treas. 14.4%	EM 6.0%	Int. Treas. 7.7%	Small Cap -2.5%	Int. Treas. 0.4%	Large Growth -22.4%	S&P 500 -11.9%	S&P 500 -22.1%	S&P 500 28.7%	Large Growth 6.3%	HY Bonds 2.7%	Large Growth 9.1%	Large Value -0.2%	Small Growth -38.5%	Large Value 19.7%	EAFE 7.8%	Small Value -5.5%	Small Growth 14.6%	Int. Treas. -1.3%	HY Bonds 2.5%	HY Bonds -4.5%	Core Bonds 2.7%	HY Bonds 7.5%	HY Bonds 0.5%	Int. Treas. 2.7%	EAFE 5.2%
	Int. Treas. 8.2%	Core Bonds -2.9%	EAFE 11.6%	Int. Treas. 4.0%	EAFE 2.1%	Small Value -6.5%	Core Bonds -0.8%	Small Growth -22.4%	Large Growth -20.4%	Large Growth -27.9%	Core Bonds 4.1%	Core Bonds 4.3%	Core Bonds 2.4%	Core Bonds 4.3%	Core Bonds 4.3%	Small Cap -1.6%	EAFE -43.4%	Core Bonds 5.9%	Core Bonds 6.5%	EAFE -12.1%	Core Bonds 4.2%	Core Bonds -2.0%	EM -2.2%	Small Value -7.5%	Int. Treas. 1.1%	Core Bonds 3.5%	Core Bonds 0.4%	EAFE 1.9%
Large Growth 2.9%	EM -7.3%	EM -5.2%	Core Bonds 3.6%	EM -11.6%	EM -25.3%	Small Value -1.5%	EM -30.6%	EAFE -21.2%	Small Growth -30.3%	Int. Treas. 2.1%	Int. Treas. 2.0%	Int. Treas. 1.6%	Int. Treas. 3.5%	Small Value -9.8%	EM -53.3%	Int. Treas. -1.4%	Int. Treas. 5.3%	EM -18.4%	Int. Treas. 1.7%	EM -2.6%	EAFE -4.9%	EM -14.9%	EAFE 1.0%	Int. Treas. 1.1%	Int. Treas. -0.4%	EM 1.7%	Int. Treas. 4.1%	

S&P 500 SECTOR PERFORMANCE COMPARISON

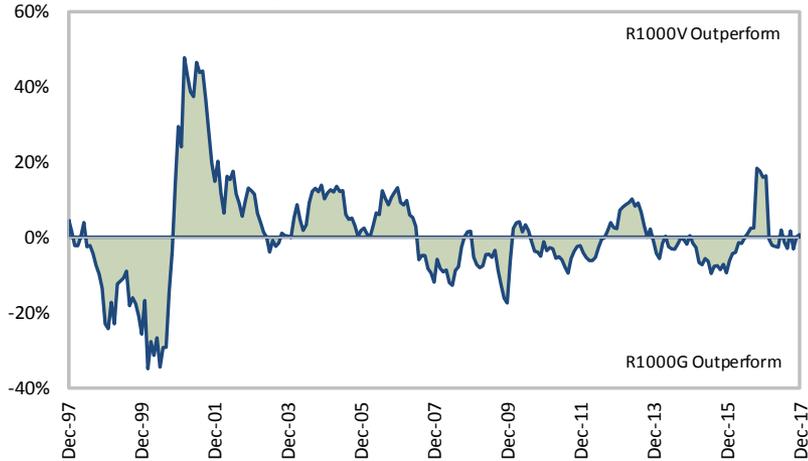


HISTORICAL RELATIVE PERFORMANCE: US LARGE CAP CORE TO SMALL CAP CORE



HISTORICAL RELATIVE PERFORMANCE: LARGE CAP VALUE TO LARGE CAP GROWTH

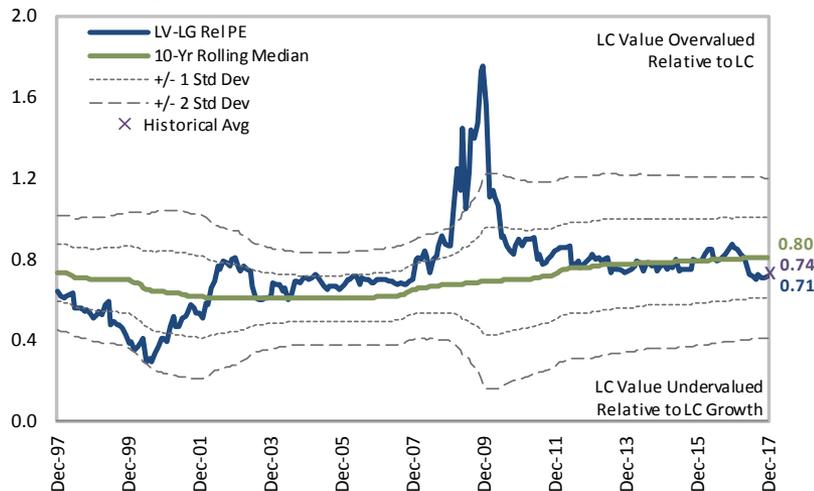
Large Value vs. Large Growth
Rolling 1-Year Excess Return (12/97 - 12/17)



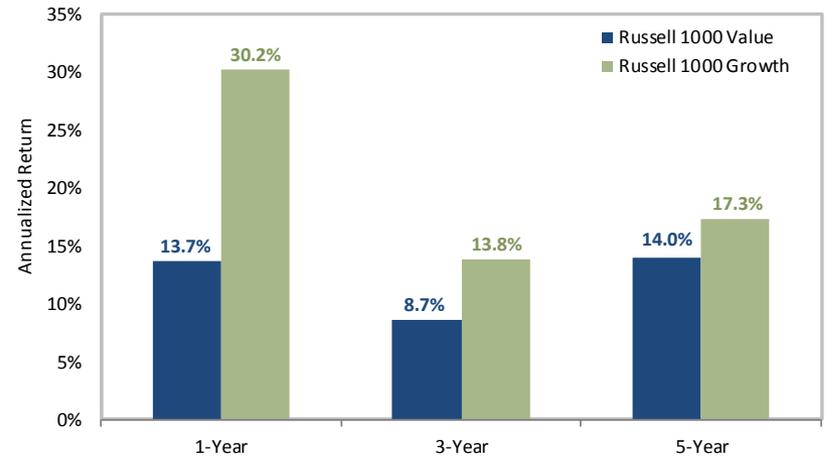
Large Value vs. Large Growth
Rolling 5-Year Annualized Excess Return (12/97 - 12/17)



Large Value/Growth Relative P/E Ratio (R1000V vs R1000G)



Large Value vs. Large Growth
Recent Historical Performance



HISTORICAL RELATIVE PERFORMANCE: SMALL CAP VALUE TO SMALL CAP GROWTH

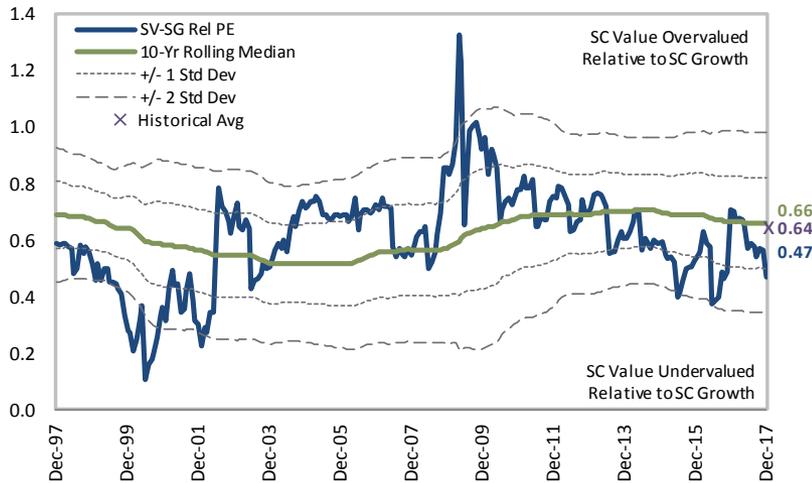
Small Value vs. Small Growth
Rolling 1-Year Excess Return (12/97 - 12/17)



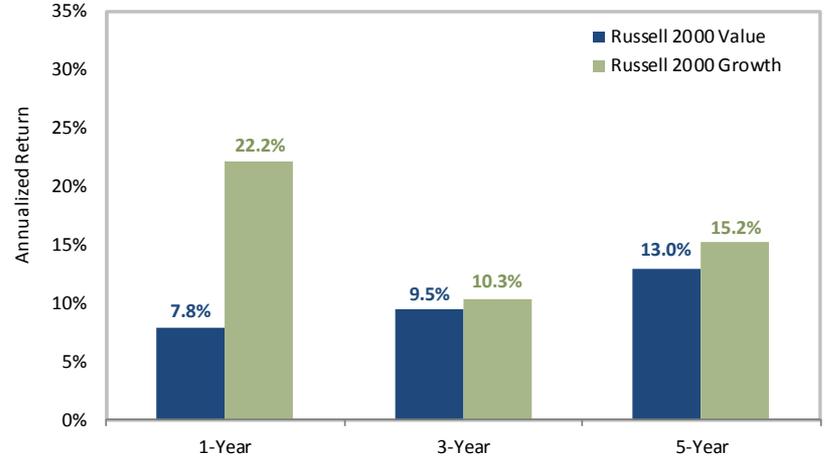
Small Value vs. Small Growth
Rolling 5-Year Annualized Excess Return (12/97 - 12/17)



Small Value/Growth Relative P/E Ratio (R2000V vs R2000G)

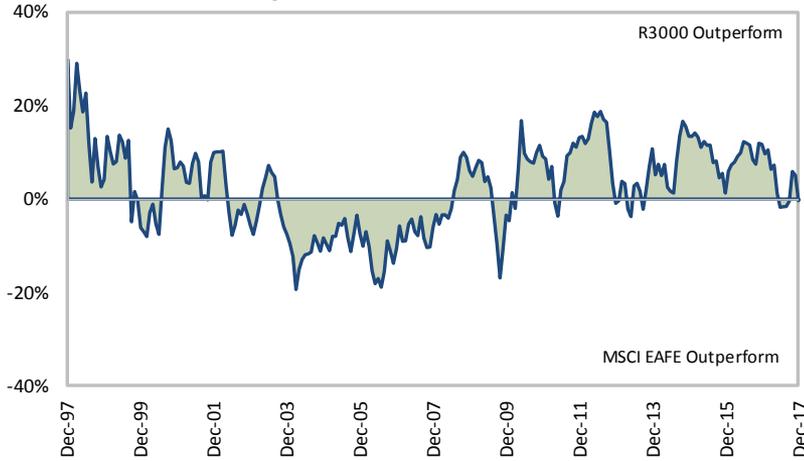


Small Cap Value vs. Small Cap Growth
Recent Historical Performance



HISTORICAL RELATIVE PERFORMANCE: DOMESTIC EQUITY TO DEVELOPED INTERNATIONAL EQUITY

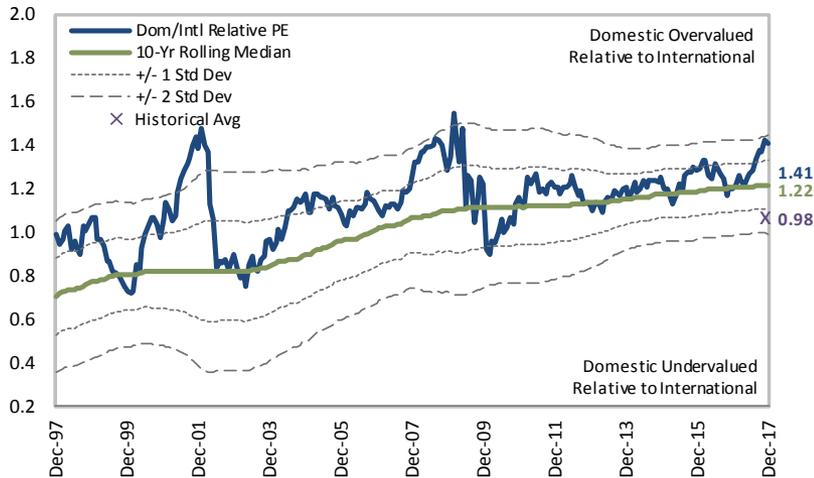
Domestic Equity vs. Developed International Equity
Rolling 1-Year Excess Return (12/97 - 12/17)



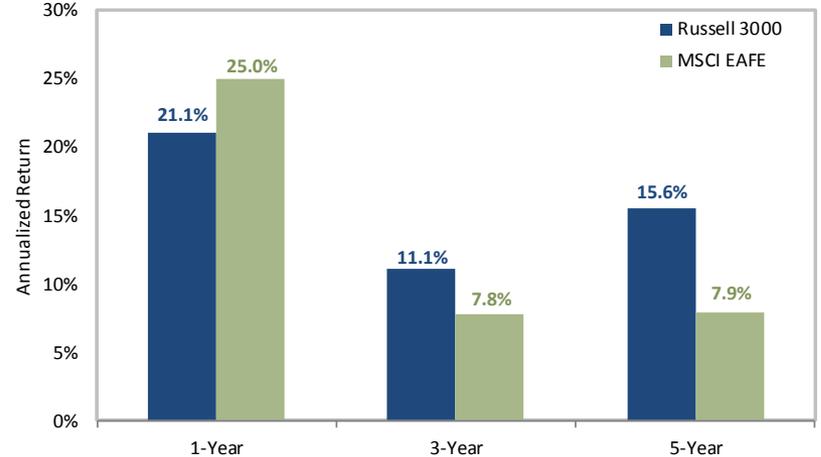
Domestic Equity vs. Developed International Equity
Rolling 5-Year Annualized Excess Return (12/97 - 12/17)



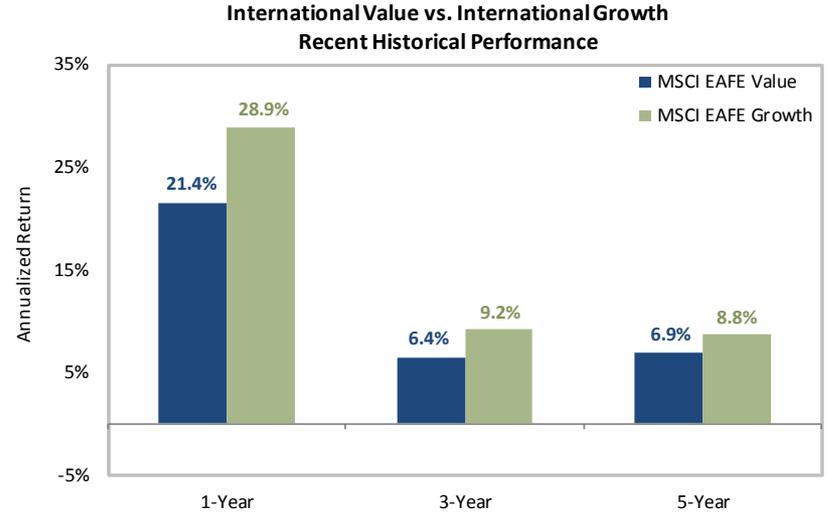
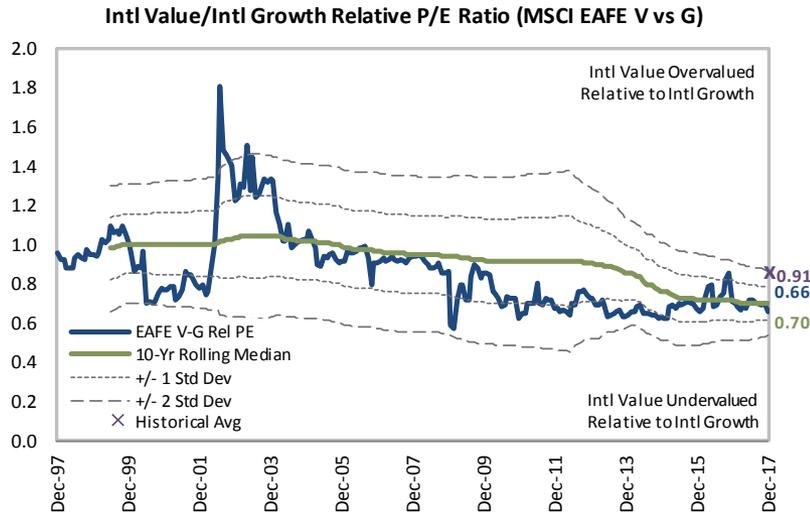
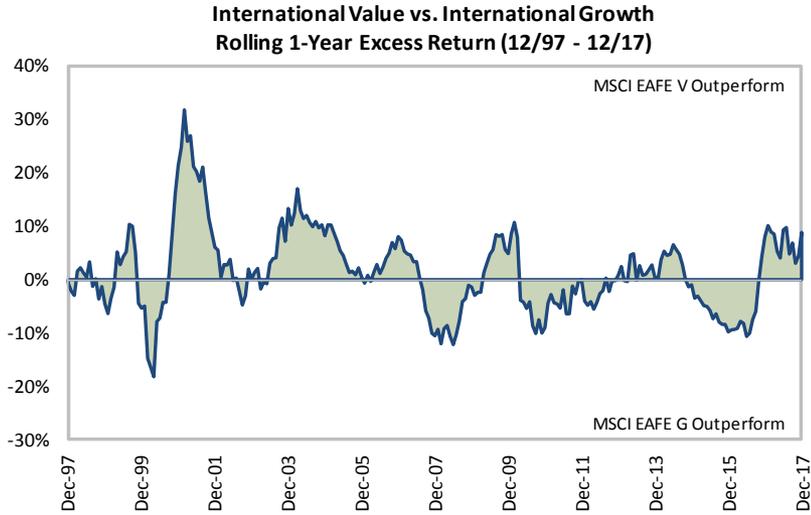
Domestic/International Relative P/E Ratio (R3000 vs MSCI EAFE)



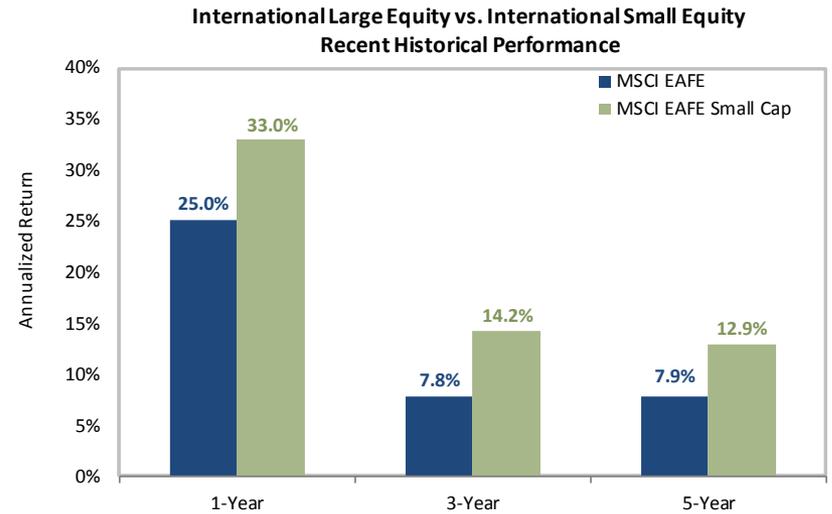
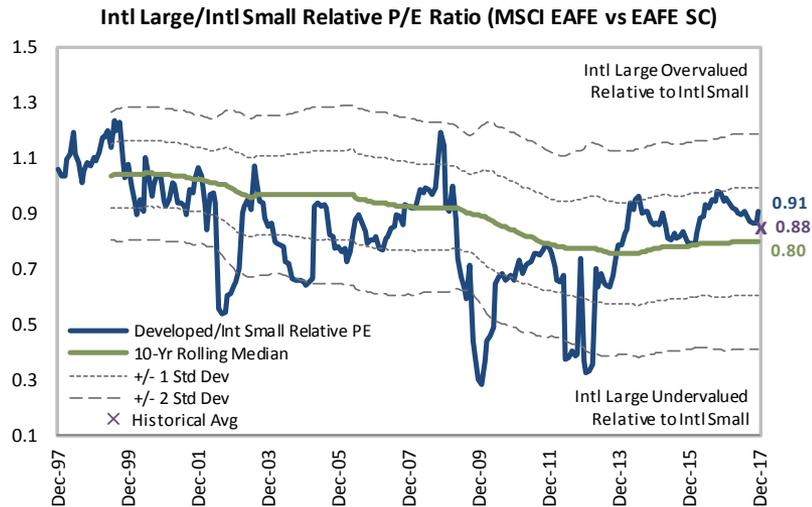
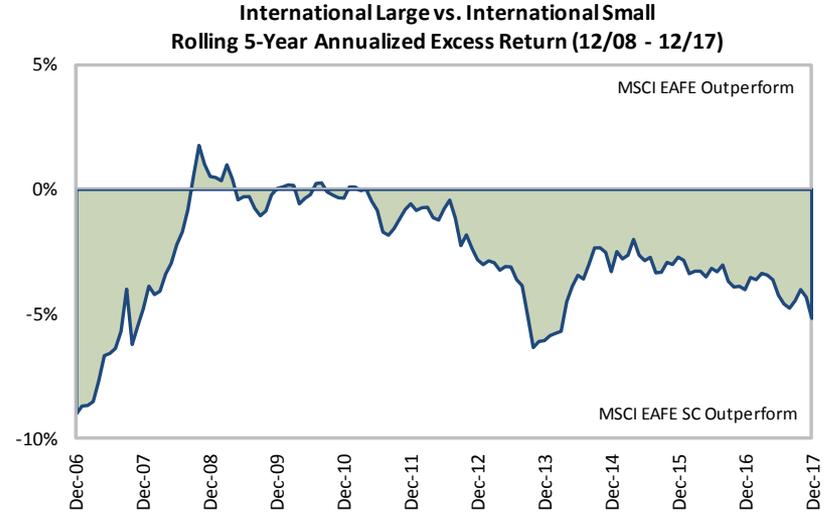
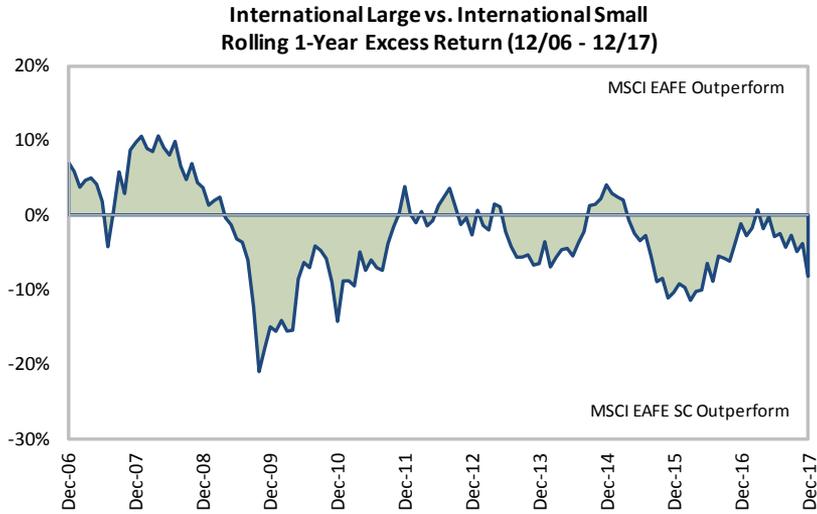
Domestic Equity vs. Developed International Equity
Recent Historical Performance



HISTORICAL RELATIVE PERFORMANCE: INTERNATIONAL VALUE TO INTERNATIONAL GROWTH

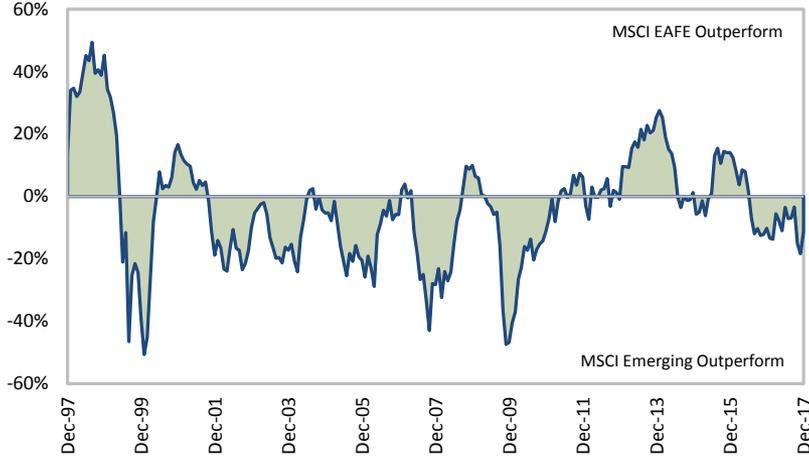


HISTORICAL RELATIVE PERFORMANCE: INTERNATIONAL LARGE CAP TO INTERNATIONAL SMALL CAP

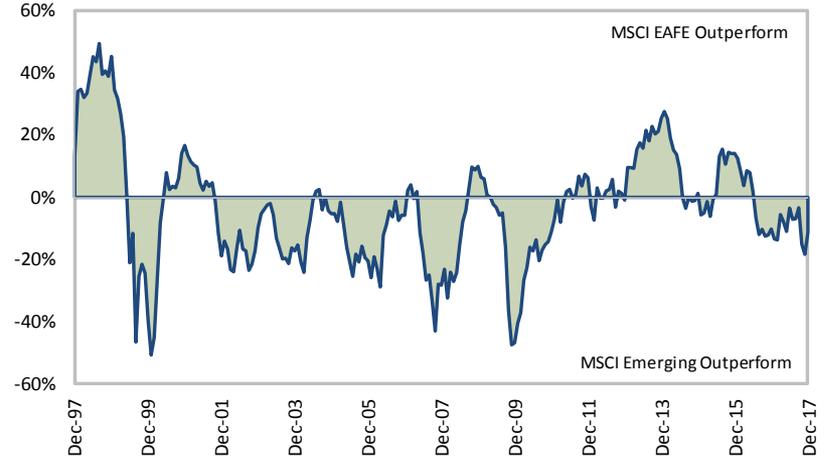


HISTORICAL RELATIVE PERFORMANCE: DEVELOPED INTERNATIONAL TO EMERGING MARKETS

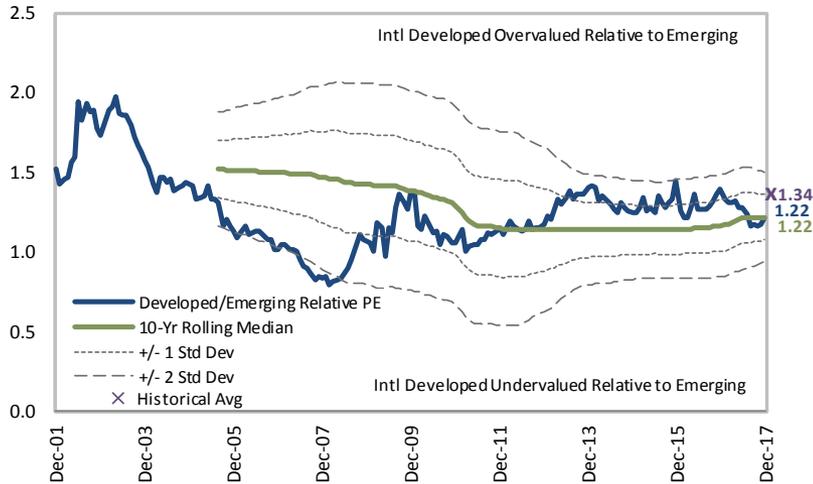
Developed Intl Equity vs. Emerging Markets Equity
Rolling 1-Year Excess Return (12/97 - 12/17)



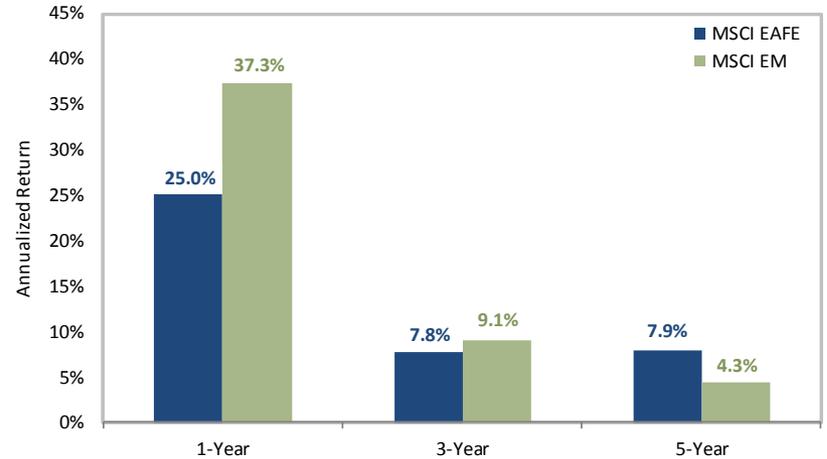
Developed Intl Equity vs. Emerging Markets Equity
Rolling 1-Year Excess Return (12/97 - 12/17)



Intl Developed/Emerging Relative P/E Ratio (MSCI EAFE vs EM)

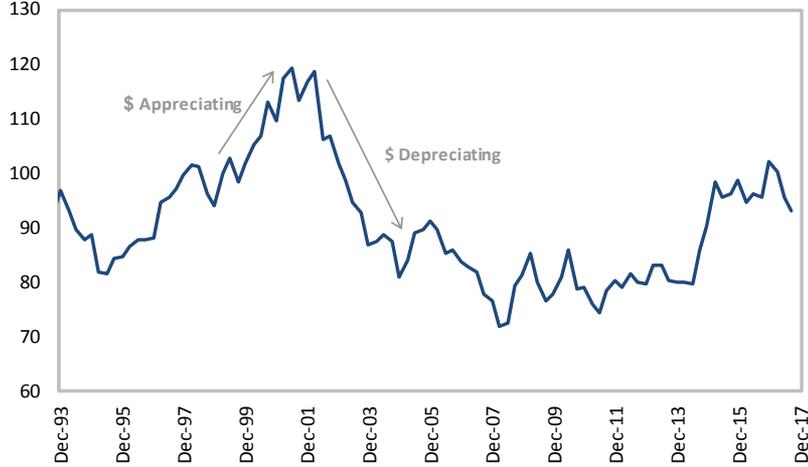


Developed International Equity vs. Emerging Equity
Recent Historical Performance

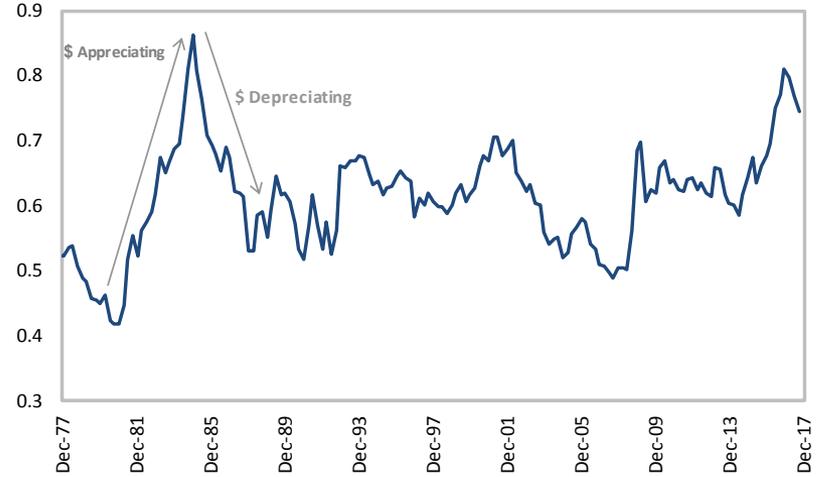


CURRENCY OVERVIEW

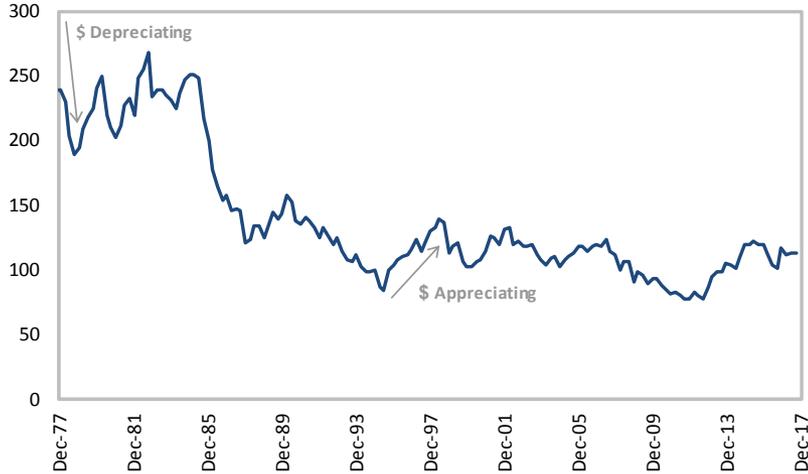
US Dollar Index: Weighted Avg of 6 Currencies vs US Dollar



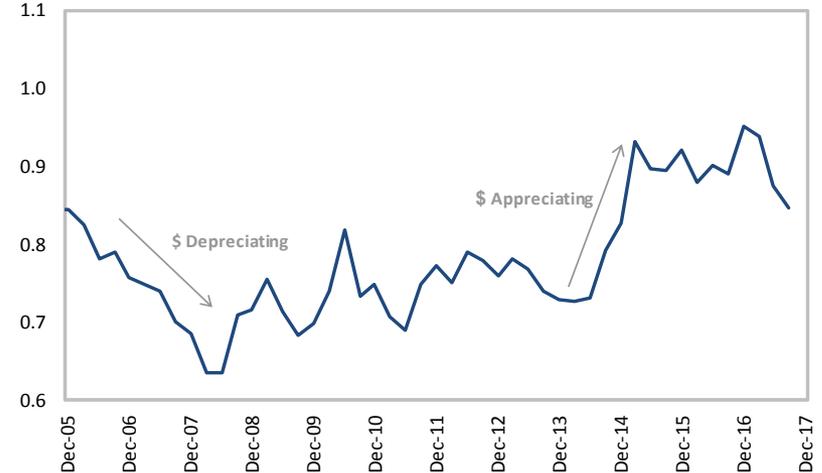
British Pound/US Dollar



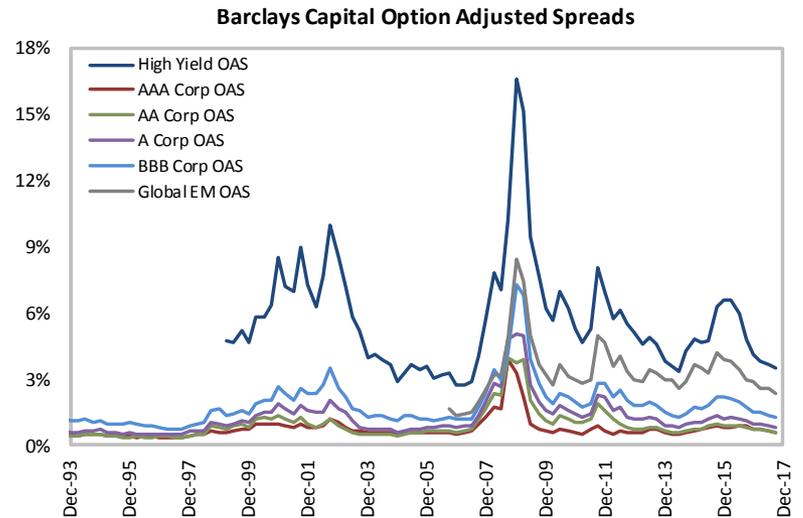
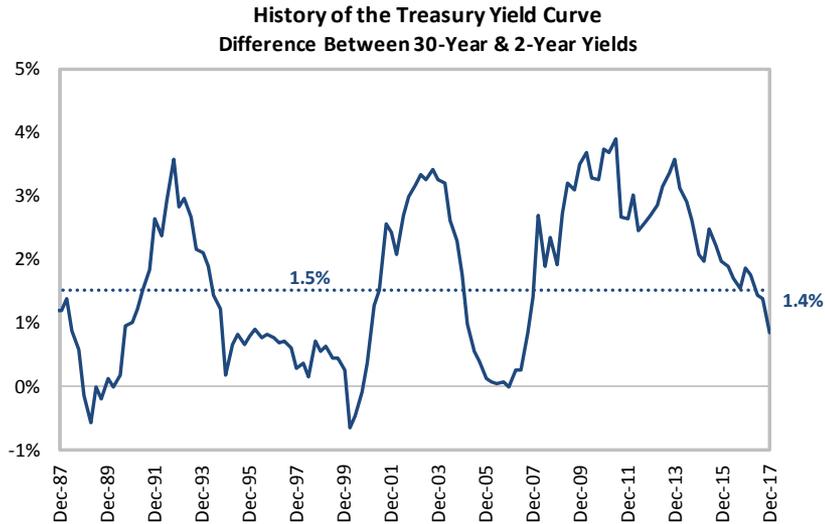
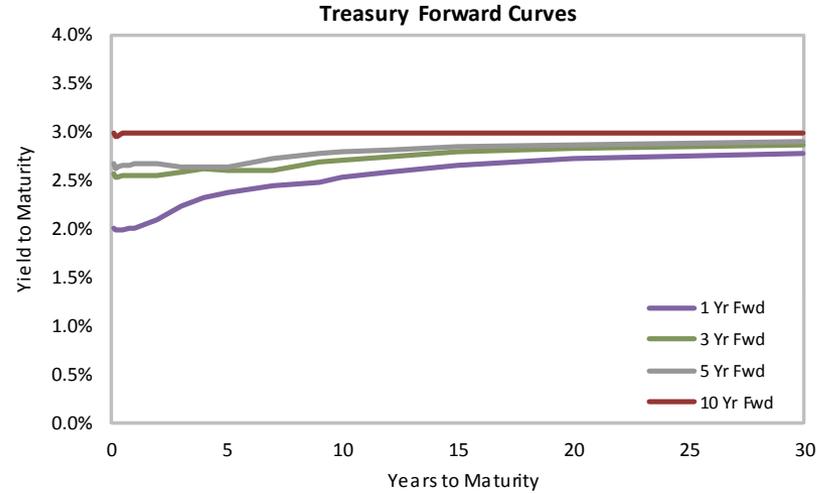
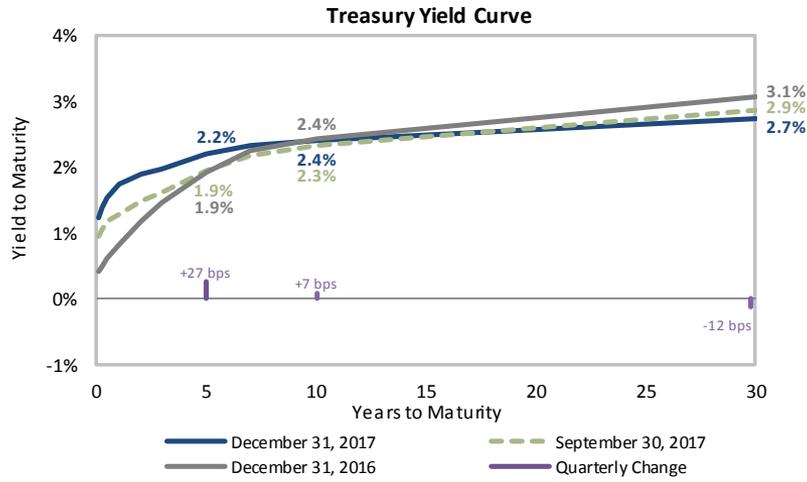
Japanese Yen/US Dollar



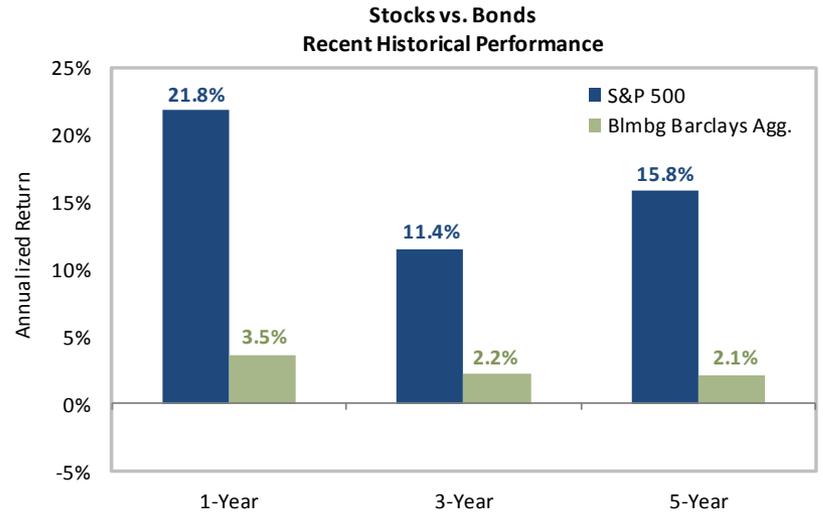
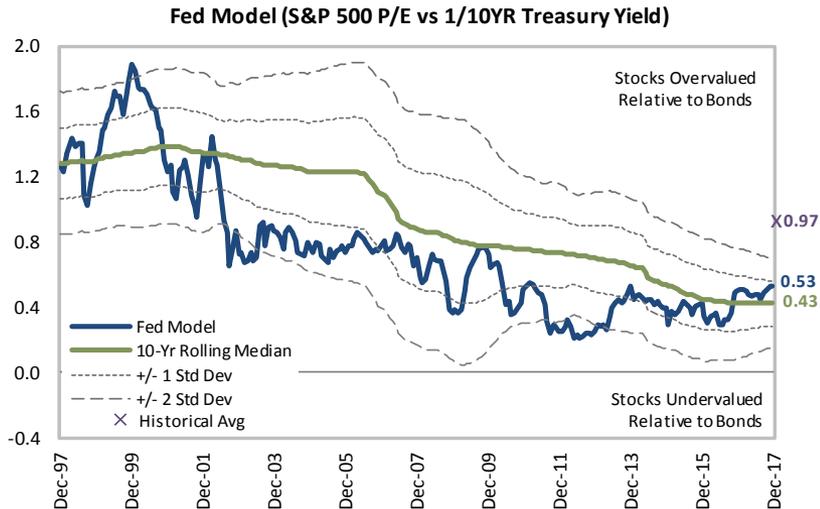
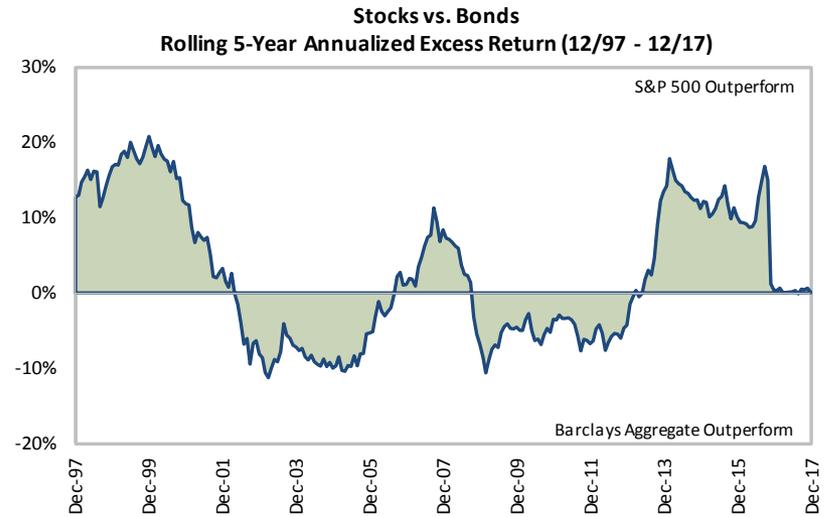
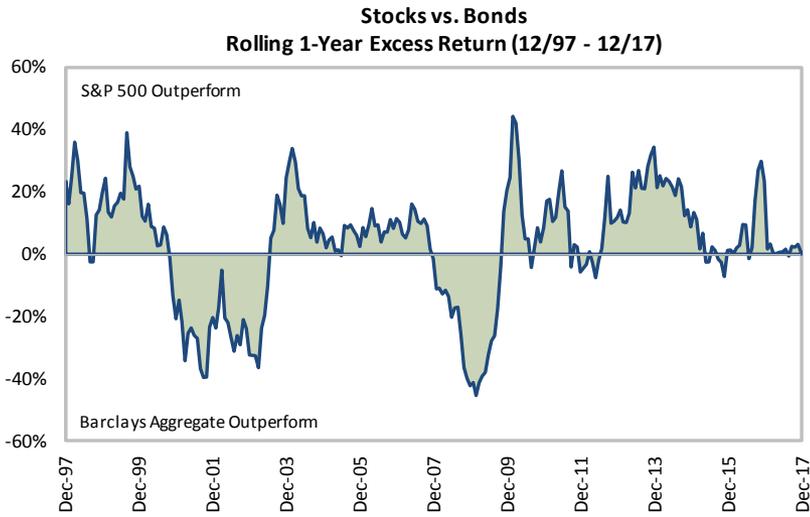
Euro/US Dollar



YIELD CURVE AND SPREAD ANALYSIS



HISTORICAL RELATIVE PERFORMANCE: STOCKS VS. BONDS

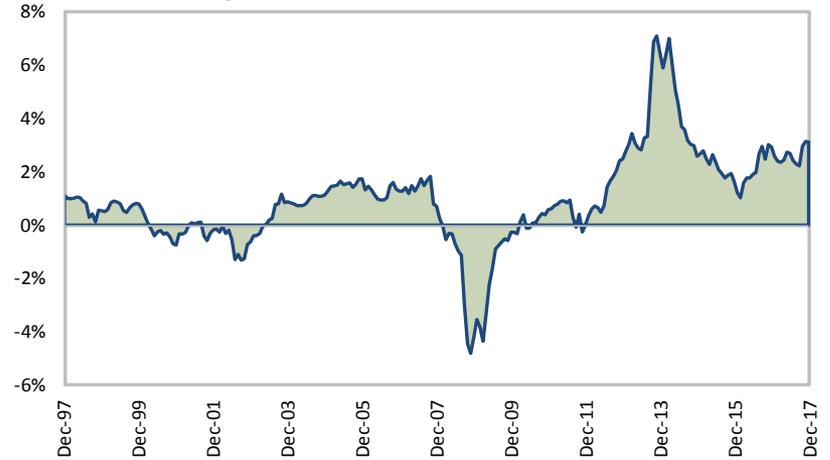


HISTORICAL RELATIVE PERFORMANCE: CORPORATE BONDS VS. TREASURIES

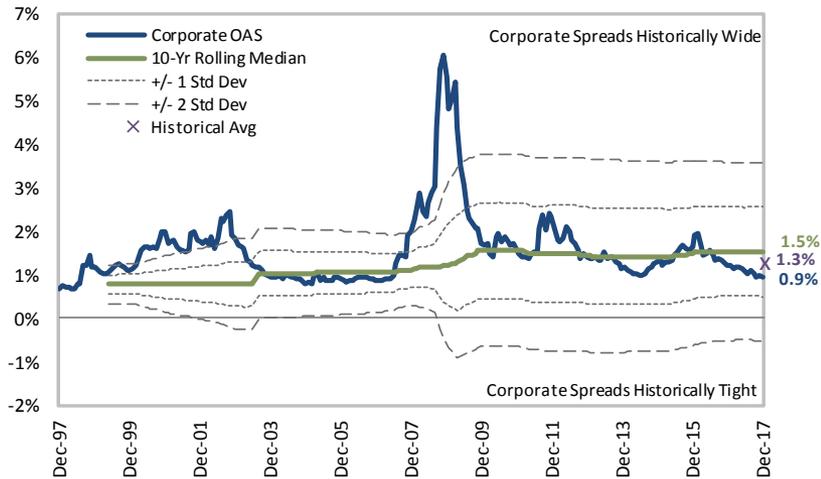
Corporates vs. Treasuries
Rolling 1-Year Excess Return (12/97 - 12/17)



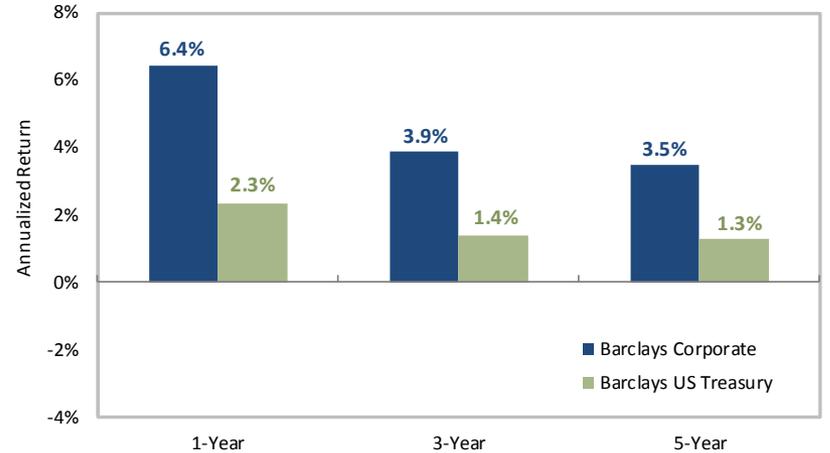
Corporates vs. Treasuries
Rolling 5-Year Annualized Excess Return (12/97 - 12/17)



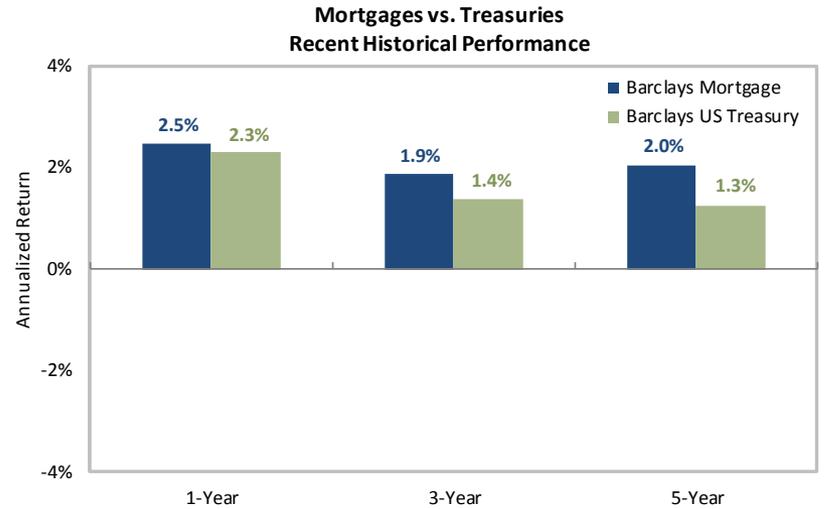
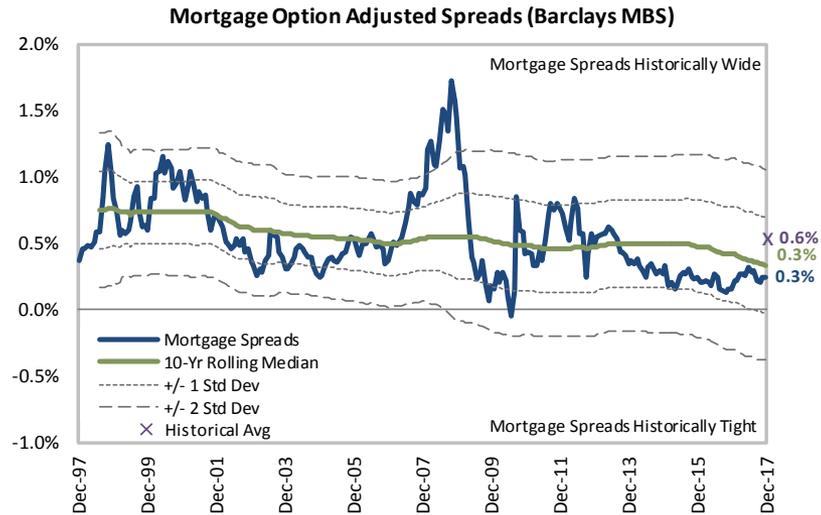
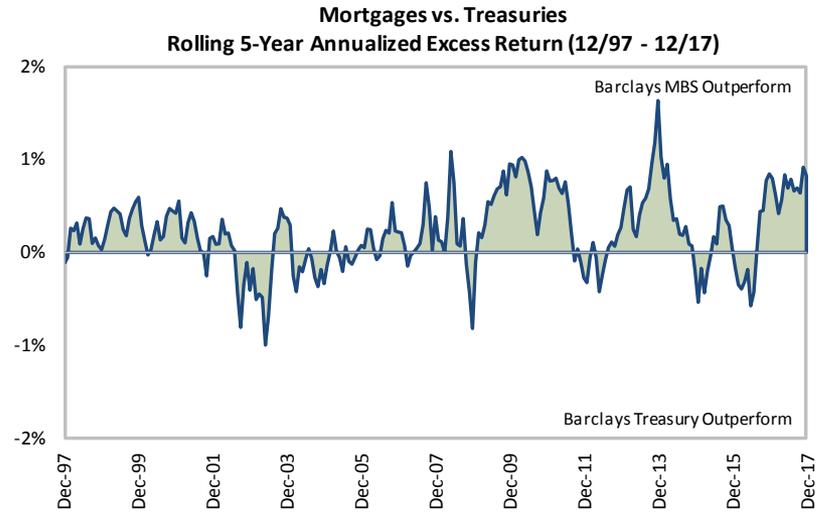
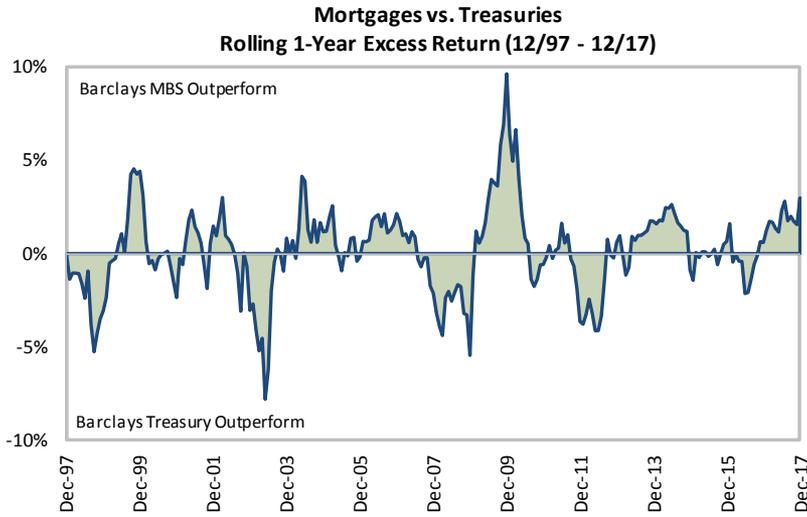
Corporate Option Adjusted Spreads (Barclays Corp)



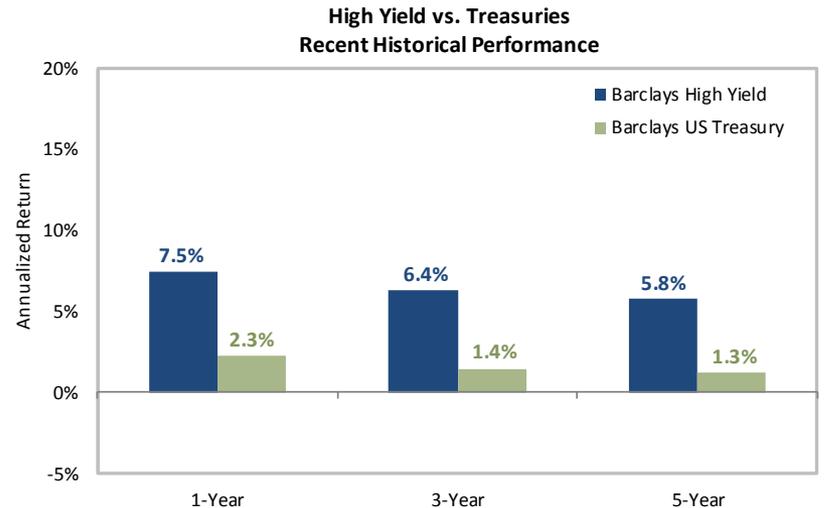
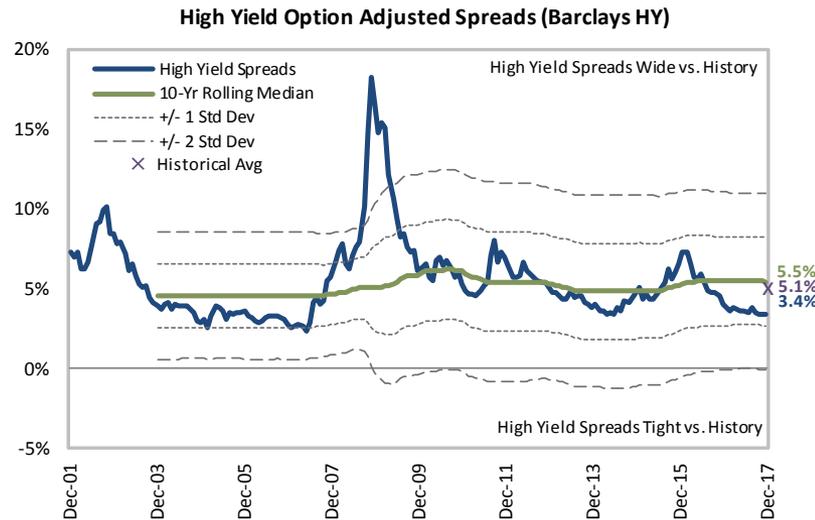
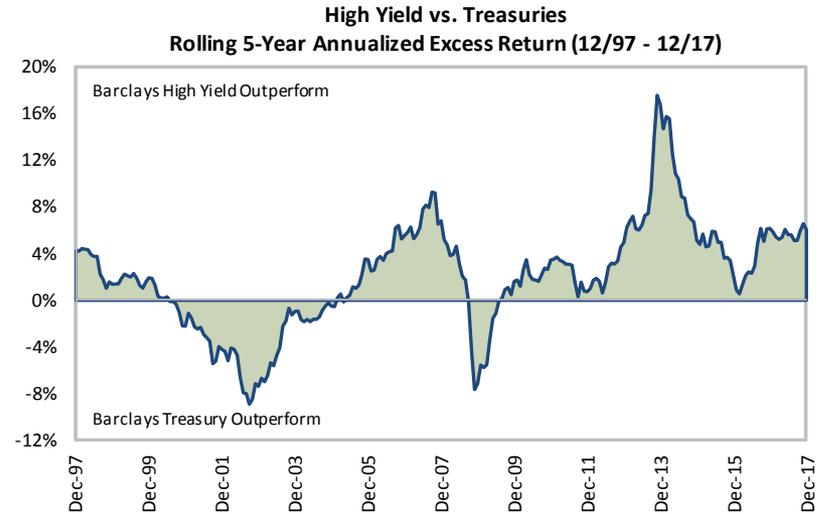
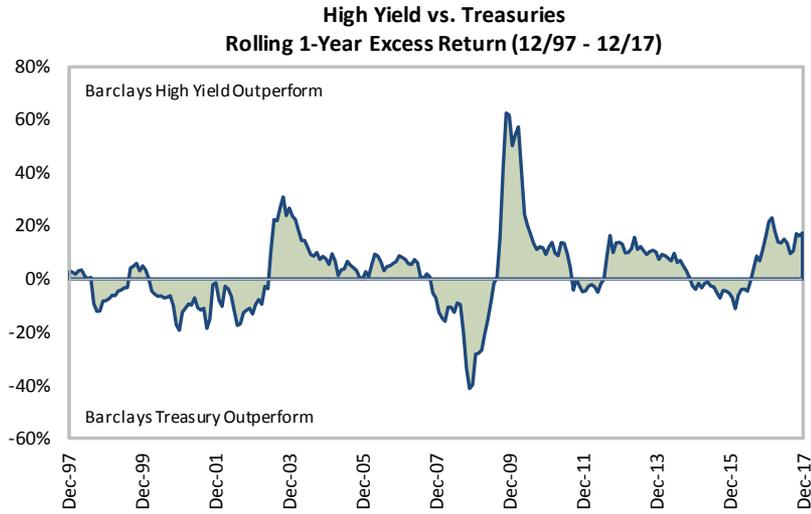
Corporates vs. Treasuries
Recent Historical Performance



HISTORICAL RELATIVE PERFORMANCE: MORTGAGES VS. TREASURIES

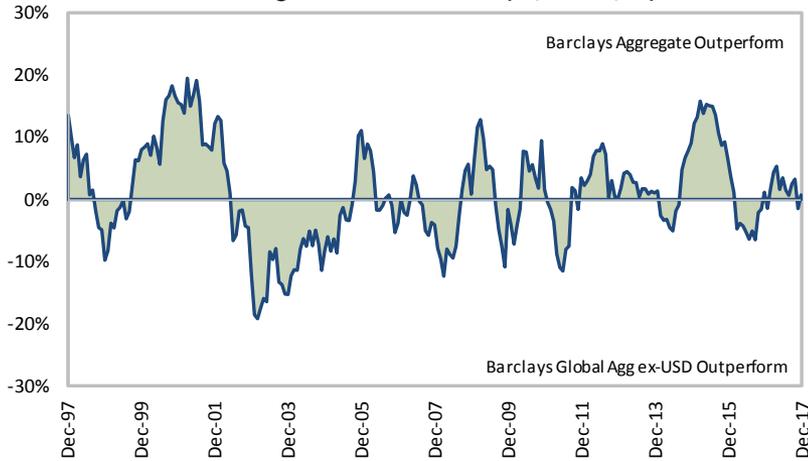


HISTORICAL RELATIVE PERFORMANCE: HIGH YIELD BONDS VS. TREASURIES

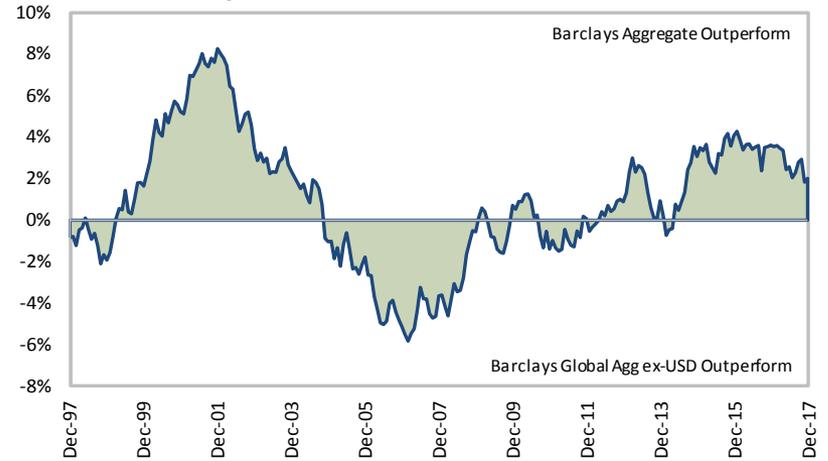


HISTORICAL RELATIVE PERFORMANCE: DOMESTIC VS. INTERNATIONAL FIXED INCOME

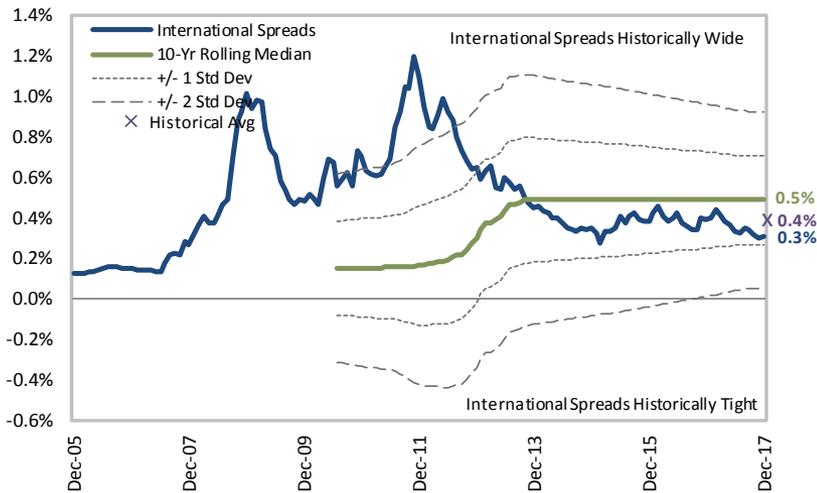
Domestic Fixed Income vs. International Fixed Income
Rolling 1-Year Excess Return (12/97 - 12/17)



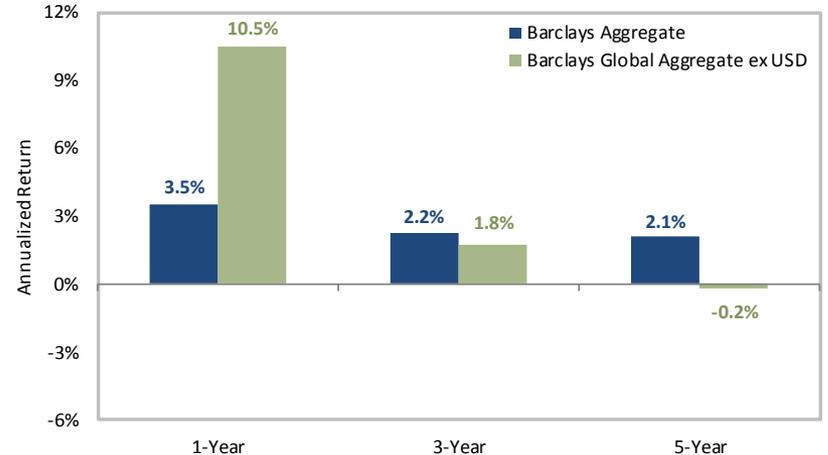
Domestic Fixed Income vs. International Fixed Income
Rolling 5-Year Annualized Excess Return (12/97 - 12/17)



Intl Option Adjusted Spreads (Barclays Global Aggregate ex USD)

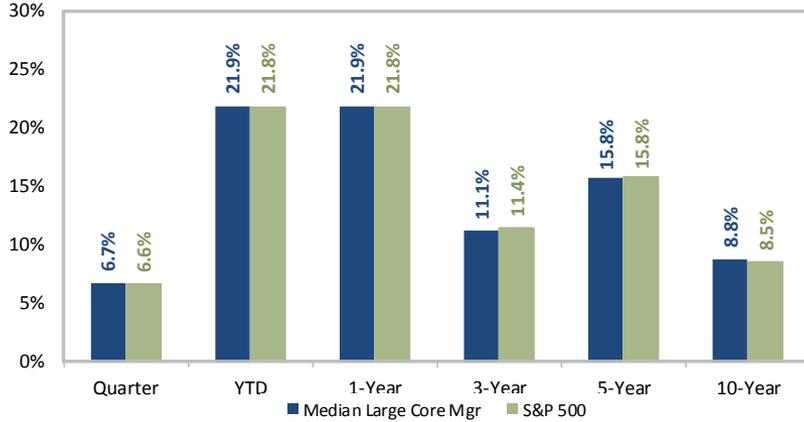


Domestic Bonds vs. International Bonds
Recent Historical Performance

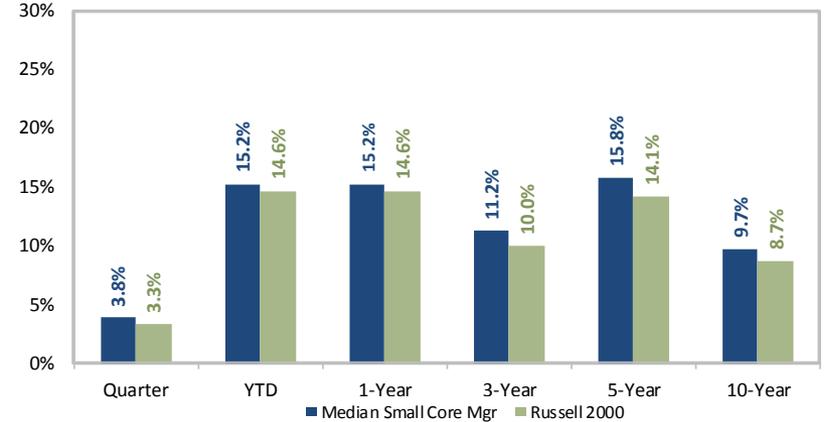


MEDIAN UNIVERSE CORE MANAGER RETURNS VS. INDEX RETURNS

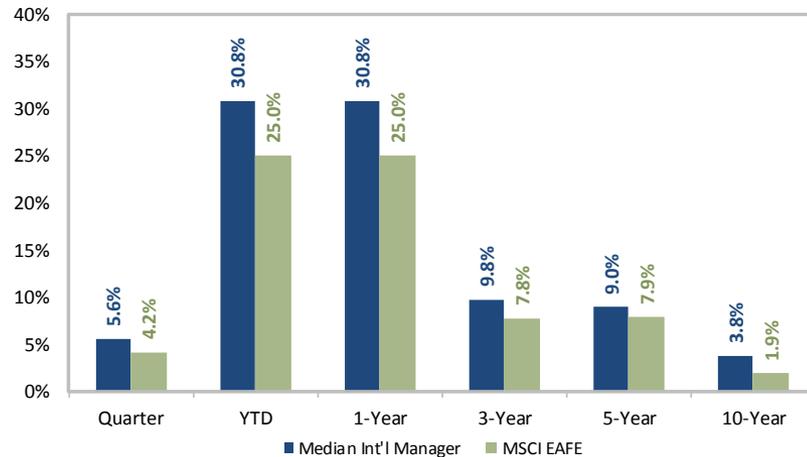
Median Large Capitalization Core Equity Manager vs. S&P 500



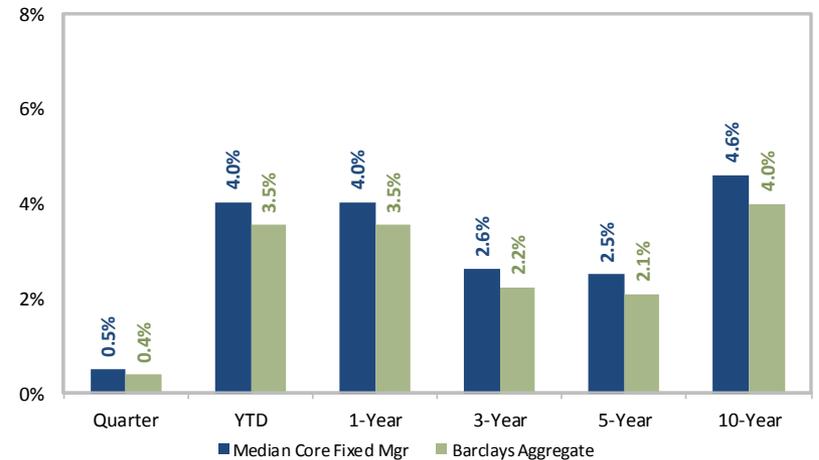
Median Small Capitalization Core Equity Manager vs. Russell 2000



Median International Core Equity Manager vs. MSCI EAFE (net)

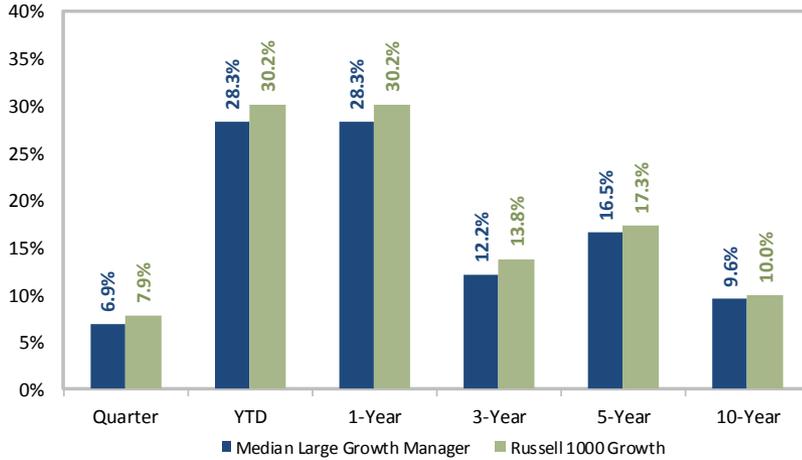


Median Core Fixed Income Manager vs. Barclays Aggregate

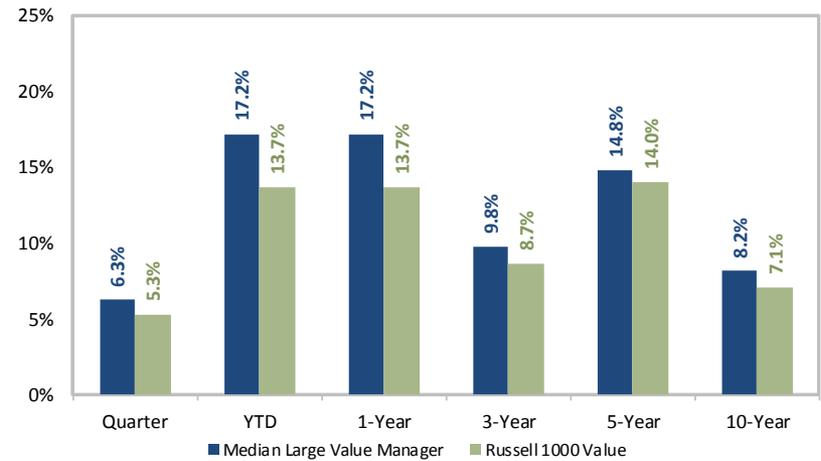


MEDIAN UNIVERSE EQUITY STYLE MANAGER RETURNS VS. INDEX STYLE RETURNS

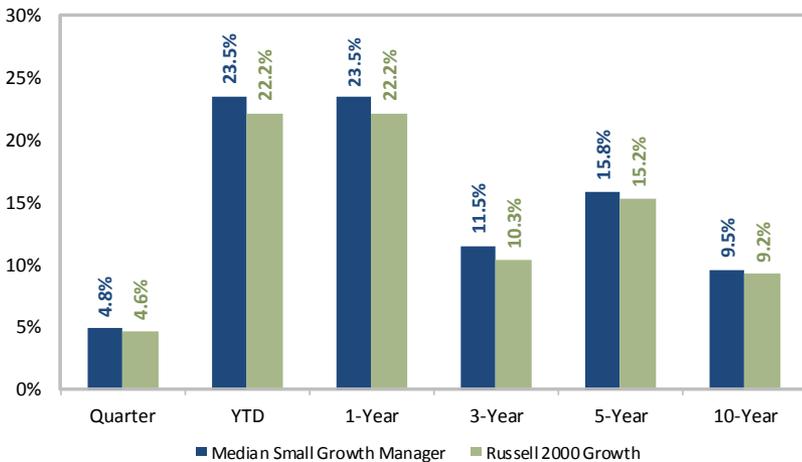
Median Large Capitalization Growth Equity Manager vs. Russell 1000 Growth



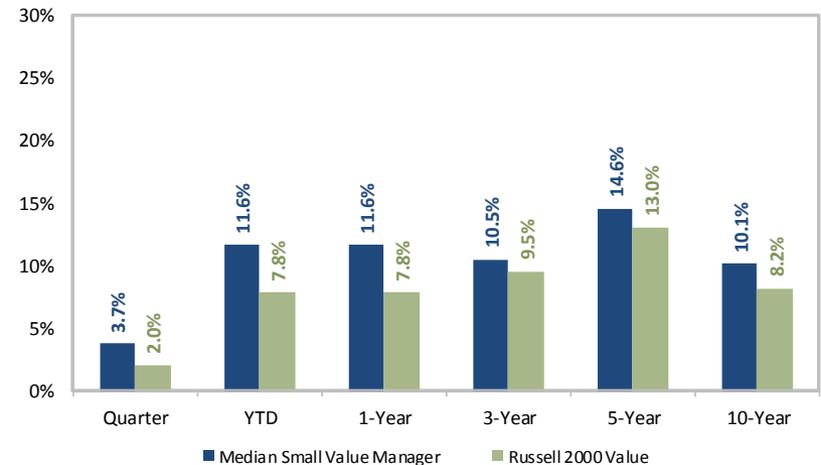
Median Large Capitalization Value Equity Manager vs. Russell 1000 Value



Median Small Capitalization Growth Equity Manager vs. Russell 2000 Growth

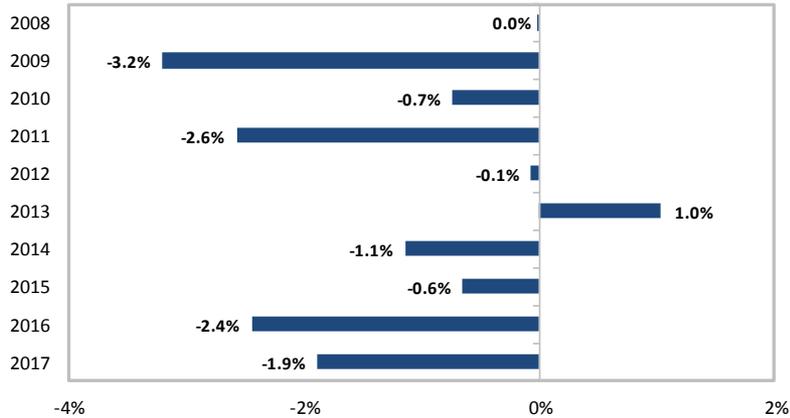


Median Small Capitalization Value Equity Manager vs. Russell 2000 Value

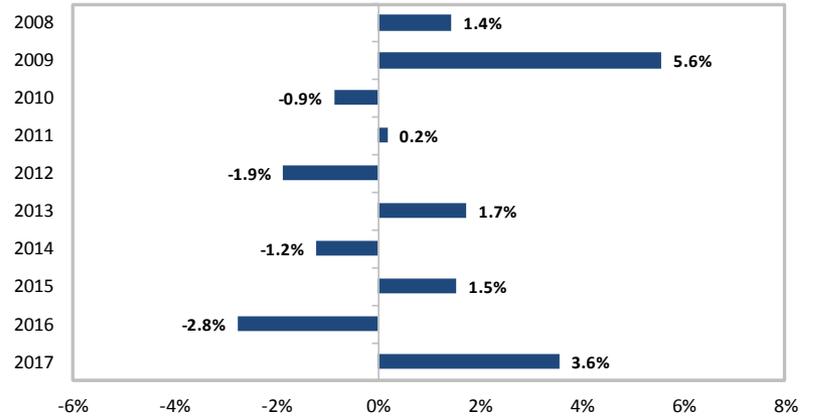


MEDIAN UNIVERSE EQUITY STYLE MANAGER ONE-YEAR RETURN DIFFERENTIAL: 10 YEARS

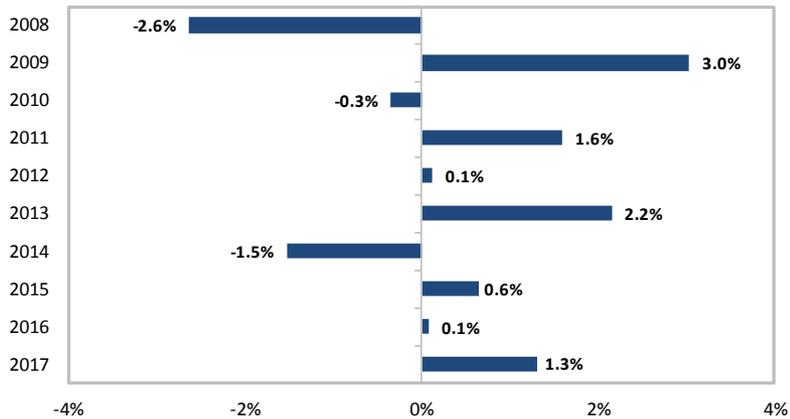
Median Large Capitalization Growth Equity Manager vs. Russell 1000 Growth



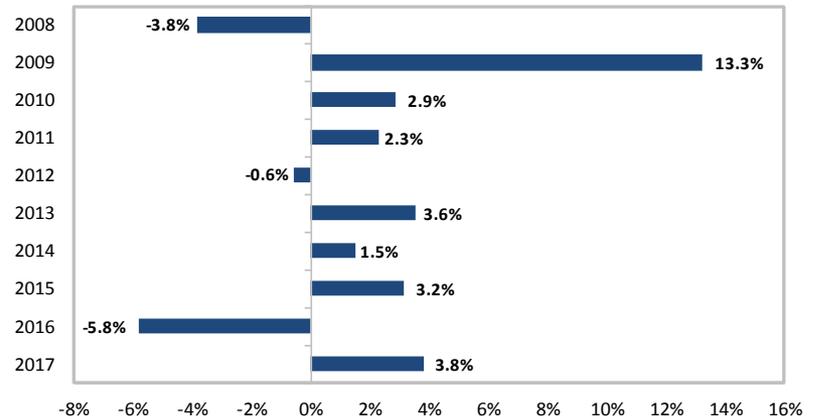
Median Large Capitalization Value Equity Manager vs. Russell 1000 Value



Median Small Capitalization Growth Equity Manager vs. Russell 2000 Growth

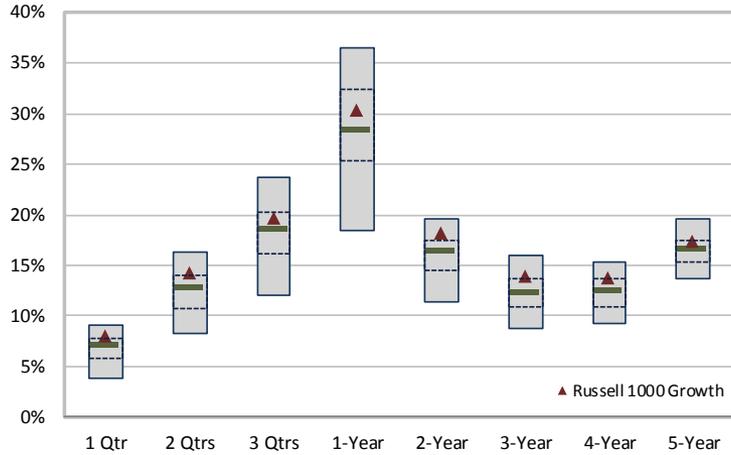


Median Small Capitalization Value Equity Manager vs. Russell 2000 Value

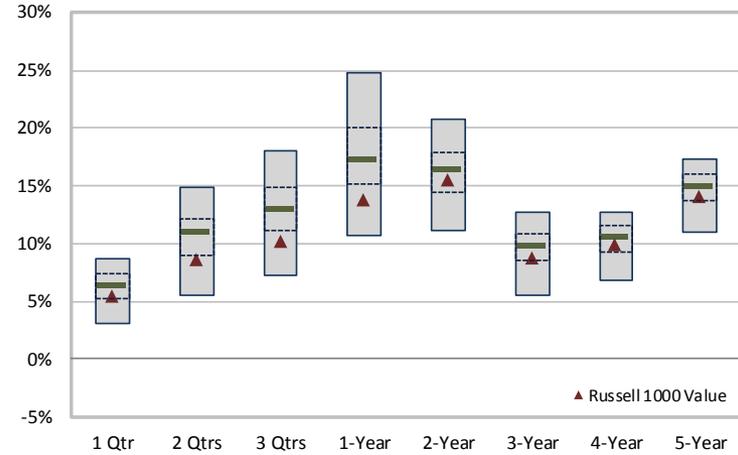


UNIVERSE EQUITY STYLE MANAGERS

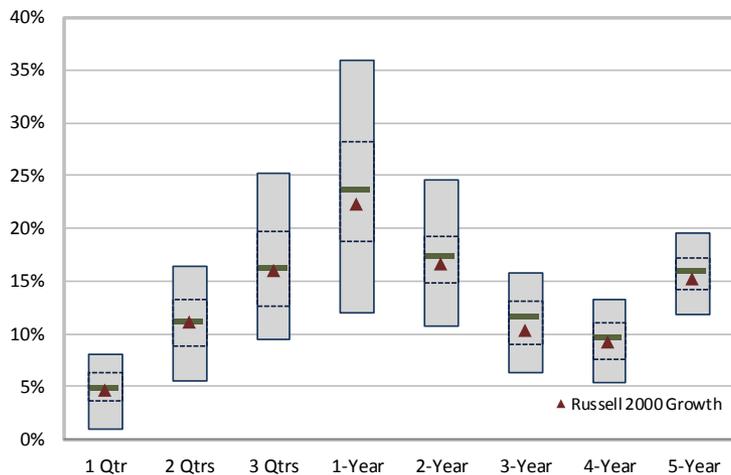
Large Cap Growth Equity Universe



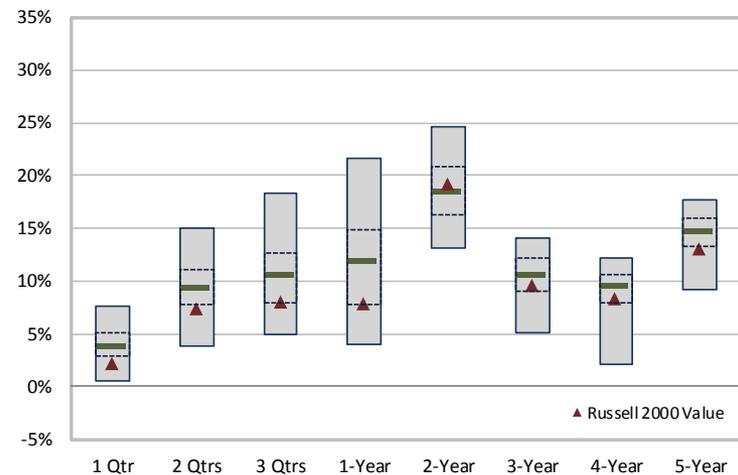
Large Cap Value Equity Universe



Small Cap Growth Equity Universe



Small Cap Value Equity Universe



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